

FRIDAY ALERT



Alliance for Retired Americans

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Republican Presidential Hopefuls Are Staying Silent Regarding Social Security Privatization but Still Favor “Reform”

While still talking about the need to “save” Social Security by cutting benefits to retirees, this cycle’s crop of [GOP Presidential candidates](#) have been silent on whether they’d support a plan to privatize Social Security. In 2005, Democrats defeated a proposal by President **Bush** to allow individuals to invest in private accounts in lieu of Social Security – an idea which would have exposed decades of earned benefits to the volatility of the stock market while depleting the trust fund at a faster rate.

“While we are glad the Republican contenders are not currently making Social Security privatization a major talking point, we are still incredibly concerned about proposals to raise the retirement age and cut benefits for future retirees,” said **Barbara Easterling**, President of the Alliance.

“Unfortunately, I also continue to fear that the idea of privatization will rear its ugly head the next time the stock market rises.”

Voters More Concerned with Curbing Drug Costs than Scrapping Affordable Care Act

A recent [poll](#) conducted by the Kaiser Family Foundation found that voters believe reducing drug prices should be a top priority for the President and Congress. This was true even for Republicans, two-thirds of whom said it is more important to bring down the cost of drugs through re-importation, allow Medicare to negotiate prices, and implement price caps and transparency measures than it is to repeal the Affordable Care Act.

“It’s good to see a strong bipartisan consensus building around the need to reduce drug costs,” said **Ruben Burks**, Alliance Secretary-Treasurer. “The Alliance will continue to fight to make medications more affordable for everyone, especially older Americans who are often the most in need.”

No COLA for Social Security Benefits This Year Impacts Medicare Part B Premiums

The 2015 Social Security Trustees Report released last month assumed that there will be no cost of living adjustment (COLA) for recipients of Social Security benefits in 2016 due to this year’s low inflation rate. As a result, about 70% of beneficiaries will see no increase in their Medicare Part B Premium, which by law cannot increase if there is no COLA.

However, individuals on Medicare part B who do not receive a Social Security check have high enough incomes to be subjected to an income-related premium adjustment. Those who are dual Medicare-Medicaid recipients could see their premiums rise by 52% or more to compensate for the lost funds from the foregone rate increase. About 30% of beneficiaries are expected to fall into this category. Researchers at the Center for Retirement Research at Boston College have [proposed](#) several workarounds to this problem, but so far none have been taken up by Congress.

Thousands Protest Koch Brothers Event in Columbus

Last week, over 3,000 people rallied outside the Greater Columbus Convention Center in Ohio to protest a two-day summit hosted by the Koch brothers-funded group Americans for Prosperity. The event itself, called the “Defending the American Dream Summit,” featured five GOP Presidential candidates; **Jeb Bush, Marco Rubio, Bobby Jindal, Ted Cruz, and Rick Perry** as well as hundreds of wealthy donors and conservative activists.

The rally was organized by the Ohio AFL-CIO with the support of dozens of labor and progressive groups. **Norm Wernet**, President of the Ohio Alliance attended, as did former Governor and 2016 Senate candidate **Ted Strickland**.

“The Koch brothers’ radical right-wing agenda does not speak for ordinary Americans, and the huge turnout at this rally was testament to that,” said **Richard Fiesta**, Executive Director of the Alliance. “We will continue to work with our partners to vigorously oppose policies designed to cut the earned benefits of seniors and American workers.”

Fiesta Makes Presentation to DNC Retirees

Mr. Fiesta traveled to Minneapolis on Thursday to speak at the Democratic National Committee Retirees Meeting about the Alliance’s efforts to improve retirement security and raise awareness about Republican presidential candidates plans to cut Medicare and Social Security benefits for retirees.