

FRIDAY ALERT



Alliance for Retired Americans

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Alliance Board Member Will Speak for Seniors at DNC Platform Committee Hearing

Kitty Kennedy, an Alliance Executive Board member from Tucson, will testify on behalf of the Alliance before the Democratic Party's Platform Committee at its hearing in Phoenix on Friday. The committee is crafting the Democratic Party's platform which will be voted on by convention delegates in Philadelphia on July 25-28.

Ms. Kennedy will strongly urge that the platform address the retirement security needs of seniors in building on the Party's progressive legacy for the 2016 platform. She then puts some real faces on the problems of prescription drugs and mentions cost-saving proposals that the Democratic Party platform should endorse.

In her [testimony](#) Ms. Kennedy specifies that the Democratic platform must address the skyrocketing costs of prescription drugs that prevent older Americans from getting lifesaving medicines. Among the policy proposals the Alliance supports are allowing Medicare to negotiate drug prices (like the Veterans Administration); ending drug corporation monopolies, permitting Americans to safely import lower priced medicines from abroad; and ending pharmaceutical corporation tax breaks for television advertising.

She will urge the committee to include preserving and expanding Social Security; preserving and expanding Medicare to include dental, vision, and hearing benefits; and protecting pensions.



Kitty Kennedy

"We owe our seniors nothing less than a secure dignified retirement after a lifetime of hard work," says Ms. Kennedy. To read her full written testimony, go to <http://ow.ly/3BGP301kZ2W>.

Rep. McDermott Bill Would Add Dental, Vision, and Hearing Benefits to Medicare

Last week **Rep. Jim McDermott** (D-WA) introduced [H.R. 5396](#), the Medicare Dental, Vision, and Hearing Benefit Act of 2016, in the U.S. House of Representatives.

The Alliance wholeheartedly supports this bill as a way to close many of the gaps in the current Medicare benefit package.

Once enacted, this bill would provide seniors with dental and oral health care services under Medicare, including routine dental cleanings, fillings and crowns, root canals, and dentures; routine eye examinations and procedures and eyeglasses; and routine hearing exams and hearing aids. It would also allow Medicare to provide coverage for dental, vision, and hearing services and related supplies.

“Retirees need these health care services,” said **Robert Roach, Jr.**, President of the Alliance. “Adding dental, vision and hearing benefits to Medicare would close gaps in the coverage.”

To control costs and facilitate implementation of these major reforms, benefits would be subject to reasonable limitations and be phased in gradually over several years.

AFL-CIO Endorses Secretary Hillary Clinton

The leadership of the AFL-CIO voted on Thursday to endorse **Hillary Clinton** for president. The AFL-CIO has over 12 million members and represents 56 national and international unions. Its formidable ground operation is expected to be an enormous help to Secretary Clinton in the [presidential election against Donald Trump](#).

Medicare Releases Draft Proposal for Patient “Observation Status” Notice

[A new federal law](#) requiring hospitals to explain why a patient was under observation but not formally admitted will be implemented on August 6. The NOTICE Act was passed in response to higher charges for Medicare patients under hospital observation who, if not admitted, do not qualify for Medicare’s nursing home coverage. Patients who receive hospital care on “observation status” are left to pay for skilled nursing care, even if their hospitalization lasts longer than three days.

Under the new law, hospitals must issue a “plain language” notice that explains each patient’s Medicare coverage and how their bill is structured. The notice must be supplied after 24 hours of observation care and no later than 36 hours. However, many healthcare professionals worry the language is not plain enough and relies too heavily on health insurance language.

“Efforts to keep patients informed about their hospital status and Medicare coverage is admirable,” said **Joseph Peters, Jr.**, Secretary-Treasurer of the Alliance, “but we must make sure this information is readable and accessible.”

Medicare Advisory Panel Proposes Controversial Changes

The Medicare Payment Advisory Commission (MedPAC) [released](#) a proposal package to Congress this week addressing increases in Medicare spending and rising prescription costs. Medicare Part D increased spending 60 percent between 2007 and 2014 and the commission’s

recommendations are projected to save \$10 billion over five years. However, an independent advisory commission worries the proposed changes would have mixed results. MedPAC is an influential Commission whose primary role is to advise Congress on issues affecting the administration of the Medicare program.

“We’re pleased that MedPAC is looking at reining in prescription drug prices, but are not sure this is the best approach for all retirees.” said **Richard Fiesta**, Executive Director of the Alliance.

Proposed changes include encouragement of low-cost medications and reducing co-payments on generic drugs for 12 million low-income Medicare enrollees. The package also calls for insurers to pay 80 percent of drug costs after patients reach their out-of-pocket maximum. Insurers are currently required to pay only 15 percent under these conditions.

The commission also proposed an annual out-of-pocket spending cap for higher-income enrollees. Once the cap is met, Medicare would cover 100 percent of prescription costs. However, a proposed termination of current manufacturer discounts would make the cap more difficult to reach. About half of beneficiaries would remain longer in the coverage gap or “doughnut hole,” causing them to spend about \$1,000 more.

The Alliance for Retired Americans is a national organization that advocates for the rights and well-being of over 4.3 million retirees and their families.