

# FRIDAY ALERT



**Alliance for Retired Americans**

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## House Budget Would Cut Billions from Earned Benefit Programs

House Republicans released their budget proposal for fiscal year 2019 this week, calling for [nearly \\$6 trillion](#) in cuts over ten years in an attempt to address the nation's growing deficit and balance the budget. House Budget Committee chairman **Steve Womack's** (R-AR) proposal calls for slashing committee budgets across the board, but allows for increases in defense spending.

Numerous programs affecting seniors take the biggest hits in the proposal, which includes another call for full repeal of the Affordable Care Act (ACA). \$5.4 trillion of cuts would come from mandatory or automatic spending programs such as Medicare and Medicaid. The plan calls for raising the Medicare eligibility age to 67, as well as combining Medicare Parts A and B, and allowing for privatization. The projected cuts for Medicare alone add up to \$537 billion.

For Medicaid, changes include introducing stricter work requirements for beneficiaries and shifting to a capped system linked to medical inflation rates, cutting about \$1 trillion. Additionally, Womack's budget would no longer allow people on Social Security disability to receive unemployment insurance at the same time, slashing \$4 billion.

Outside of mandatory spending programs, the budget would cut trillions from "welfare," federal retirement programs and veterans programs, while overhauling rules for medical liability lawsuits.

"This budget proposal is a direct attack on the quality of life of America's seniors," said **Robert Roach, Jr.**, President of the Alliance. "We must hold our elected officials accountable for their actions. We predicted cuts to our hard earned benefits after the GOP passed their unfunded tax cuts for billionaires and corporations. Unfortunately, that reality is now staring us in the face."

## Senate Blocks Administration's "Rescissions" Package

On Wednesday the Senate rejected billions in spending cuts that had been proposed by the administration to previously appropriated government funding. The [48-50 vote](#) stopped a White House plan to claw back \$15 billion. GOP Senators **Richard Burr** (NC) and **Susan Collins** (ME) joined 2 Independents and 46 Democrats in preventing cuts to the Children's Health Insurance Program (CHIP) and other domestic funding. The House had approved the so-called rescissions package earlier this month.

## Time for an Evaluation: Six Months Since Tax Scam Passed

When the Tax Cuts and Jobs Act was passed six months ago, the Administration promised great economic growth and lower taxes for the working class. After just a few months, it's plain to see that those promises have gone unfulfilled.

SUBJECT	GRADE
<b>FAIRNESS</b> 83% of Trump Tax Cuts are going to richest 1%	<b>F</b>
<b>INCREASING WORKER PAY</b> Trump promised that employers would give working families a \$4,000 pay raise, but only 4% are getting a one-time bonus or wage hike	<b>F</b>
<b>COST OF TAX CUTS: \$1.9 TRILLION</b> Trump and GOP want to cut Medicare, Medicaid, Social Security, and education to pay for tax cuts	<b>F</b>
<b>PROTECTING HEALTHCARE</b> Repeals key part of Affordable Care Act to pay for tax cuts, causing insurance premiums to spike 10% and 13 million to lose coverage	<b>F</b>
<b>SHARING THE WEALTH</b> Drug companies, health insurers and Wall Street banks getting huge tax breaks but not increasing worker pay or lowering consumer costs	<b>F</b>

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Instead of workers reaping the advantages of tax cuts, the largest benefits have been given to corporate billionaires and large companies. A major broken promise by many companies was that following their tax breaks, they would offer large bonuses to workers and [raise the annual salaries in typical households by \\$4,000](#). While the occasional company has given a modest raise, most, like [Harley Davidson](#), have kept the extra cash for themselves.

The tax scam also repealed the Affordable Care Act (ACA)'s individual mandate, stripping about two million people of their health coverage. Many older Americans have lost their insurance, and are now forced to seek out emergency medical care instead of seeing their primary care physicians. Additionally, premiums are rising at alarming rates.

Giving such large tax breaks to the wealthiest and largest companies has strapped Medicare of necessary funds. The Medicare Trustees' Report found that Medicare insolvency would be three years earlier than predicted in 2017, due in large part to corporate tax cuts.

"The tax scam has benefited billionaires, CEO's and corporations," said **Joseph Peters Jr.**, Secretary-Treasurer of the Alliance. "Older Americans have been left with broken promises and rising health care costs."

### **Republican Policy Makers Unveil Yet Another Affordable Care Act Repeal Effort**

A group of conservative think tanks, led by the Heritage Foundation and former senator **Rick Santorum** (PA) have created another policy to repeal and replace the ACA. The group, named the Health Policy Consensus Group, also includes Kentucky Governor **Matt Bevin** and Mississippi Governor **Phil Bryant**.

Similar to the [Graham-Cassidy](#) repeal bill that failed in Congress last year, this effort is aimed at incentivizing a shift to private insurance coverage. It would take away health insurance from millions of Americans, and eliminate all [ACA provisions that protected patients with pre-existing conditions](#). The proposal calls for shifting financial responsibility back to the states, and providing severely underfunded federal block grants to offset the financial burden.

The proposal is particularly harmful for older Americans, who would be stuck with rising premiums and a loss of insurance coverage for prescription drug costs. The effort also seeks to do away with the [3:1 age ratio](#), a provision restricting how much more older enrollees have to pay compared to younger people, and pushes for Medicaid privatization.

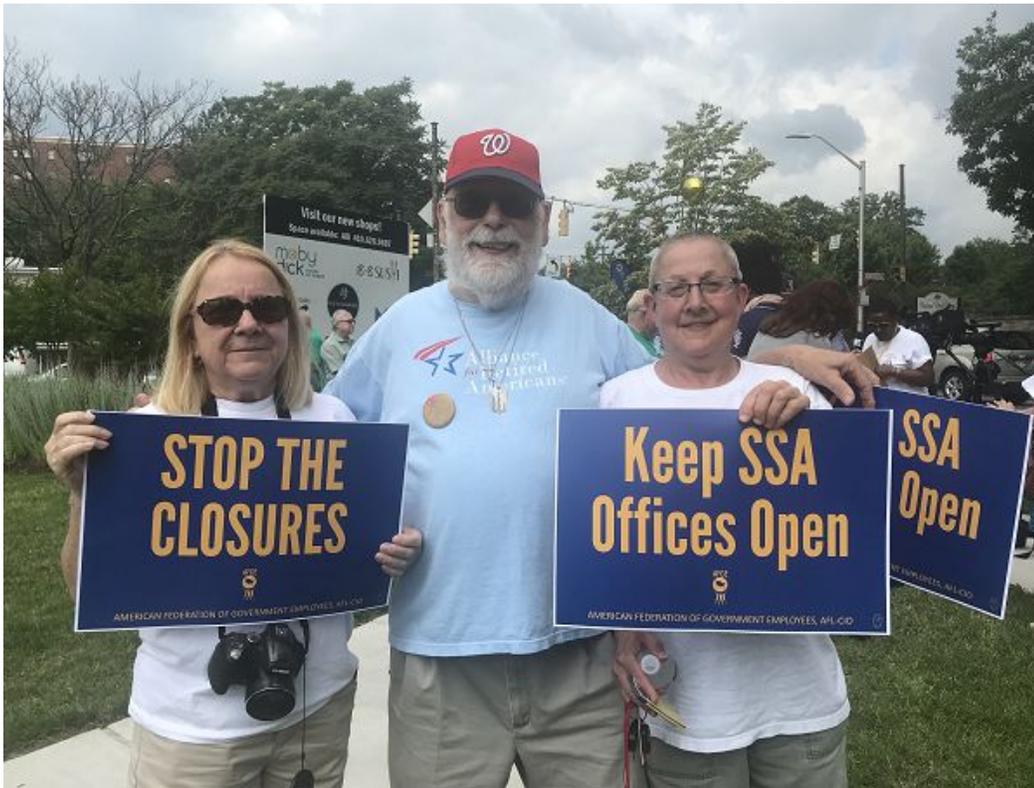
While the White House is supporting this latest effort, other Republicans are shying away from another repeal bill in an already contentious election year. Sen. **Bill Cassidy** (LA), the main author of Graham-Cassidy, has diverted his attention to prescription drug pricing and has not signed on to Santorum's proposal. However, with the repeal provision in their latest budget proposal, some members of Congress are laying the groundwork for a "replace" option in August.

"Older Americans rely on affordable insurance premiums and comprehensive coverage to maintain their quality of life," said President Roach. "We have fought back against attacks like this in the past, and we will continue fighting to ensure access to affordable health care."

### **Citizens Rally to Keep Baltimore Social Security Office Open**

Alliance members joined American Federation of Government Employees (AFGE) members and other allies at a rally in Baltimore on Thursday to protest the Social Security Administration's

(SSA) plan to shut down the North Baltimore, Maryland local SSA field office. Alliance Executive and Regional Board member [Susan Flashman spoke at the event.](#)



Ms. Flashman explained why she opposes the closure, saying that she's experienced longer than necessary waiting times in other Maryland offices. "I waited for almost two hours to speak with someone, and there were at least forty people waiting ahead of me," she noted.

It is crucial that those already long wait times don't get worse, but office closures will only increase waiting in other SSA offices around the area.

left to right: Jenny Sylvester, Recording Secretary of the MD/DC Alliance; Dick Bissell; and Susan Flashman

Ms. Flashman also noted the importance of having a physical local office for beneficiaries to ask questions. "Not everyone over 65 is online, and not everyone drives or has access to transportation," she said.

SSA officials say they are closing the office due to an expiring lease, and could not find adequate replacement space. The decision will make in-person Social Security services much harder to achieve for many residents. The next closest field office is in downtown Baltimore, and could take as long as thirty minutes to arrive by public transportation.

"10,000 Americans become eligible for their hard earned Social Security benefits everyday," said **Richard Fiesta**, Executive Director of the Alliance. "Closing Social Security field offices is only making the process more complicated and difficult for beneficiaries who have questions or need help to file for their benefits."