

FRIDAY ALERT



Alliance for Retired Americans

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March 22, 2019

New Treasury Department Policy Allows Employers to Buy Out Pensions

The Treasury Department quietly implemented a new policy, reversing a 2015 guideline that effectively [prevented employers](#) from offering lump-sum payments in lieu of pensions to individuals or their survivors who are already receiving a monthly pension. The **Obama** Administration banned the practice, which shortchanges retirees and threatens retirement security for workers and their spouses.



The number of [Americans with a pension](#) has been shrinking even before this change. According to the Center for Retirement Research at Boston College, in the 1980s, 62% of workers had a traditional defined benefit pension. By 2017, that figure had dropped to 17% of workers.

Many people with defined benefit pensions are also at

risk of losing them, including public employees, workers whose companies have filed for bankruptcy, and workers in multiemployer pension plans that face the possibility of becoming insolvent.

“These companies are offering what may seem like large amounts of money as a one-time payment, but it is actually far less income for the average retiree compared to a traditional pension,” said **Robert Roach, Jr.**, President of the Alliance. “Employers are manipulating Americans out of their earned benefits, leaving them financially unprepared for retirement. The continued war on pensions must end.”

Petition: Tell Your Representative that NAFTA 2.0 Needs an Overhaul

If the recently drafted NAFTA 2.0 deal is approved by Congress, Americans can expect to pay higher prices for many prescription drugs. The agreement as it currently stands contains

provisions that lock in high drug prices and prevent generic medicines from coming to market for a longer period of time.

[Please sign our petition and help us urge Congress to remove Big Pharma giveaways from NAFTA 2.0.](#)

“Prescription drug prices are skyrocketing and pharmaceutical corporations are making record profits,” said **Joseph Peters, Jr.**, Secretary-Treasurer of the Alliance. “We need to tell Congress they must remove harmful prescription drug provisions from NAFTA 2.0.”

High Drug Prices Are a 2020 Presidential Campaign Issue

The candidates running for the Democratic nomination for president are focusing on ways to lower prescription drug prices while on the [campaign trail](#). Many candidates have pledged not to accept donations from Big Pharma.

“The pharmaceutical industry is one of the most powerful special interests in Washington, donating millions,” said **Richard Fiesta**, Executive Director of the Alliance. “Curbing Pharma’s influence will help, but legislative changes, specifically giving Medicare the authority to negotiate drug prices, is critical.”

This week the Centers for Disease Control released a report on the impact of high drug prices. Twenty percent of adults asked for a [lower-cost alternative](#) prescription medication, and 11% skipped doses or delayed filling their prescriptions, putting their health at risk in the process.

Administration Cuts The Size Of Fines for Health Violations in Nursing Homes



The Department of Health and Human Services (HHS) recently changed how it punishes nursing homes that have endangered or injured residents. The average fine for such violations [dropped by over \\$10,000](#), not including discounts for immediate payment, since 2016.

HHS also implemented an eighteen-month [grace period](#) from fines for violating any of the eight recently implemented health and safety rules. Experts say the changes followed lobbying from the nursing home industry.

“People turn to nursing homes for critical long term care,” said Executive Director **Fiesta**. “The federal government should hold nursing home operators accountable for putting patients at risk, not protect the industry’s profits.”

Earlier this month, Massachusetts Attorney General **Maura Healey** [announced settlements](#) with seven nursing homes facing allegations of systemic failures leading to five residents’ deaths and

several injuries. The settlement included fines ranging from \$30,000 to \$200,000 and required the owners to improve their training and policies. One company was banned from operating any taxpayer-funded nursing homes in the state.

The Alliance for Retired Americans is a national organization that advocates for the rights and well-being of over 4.4 million retirees and their families.