Social Security Benefits Will Increase by Almost 6 Percent in 2022

Social Security beneficiaries, disabled veterans and federal retirees will see their earned benefits increase by 5.9% in January, marking the largest increase in almost four decades. The cost-of-living adjustment (COLA) will amount to an additional $92 a month for the average retired worker.

“The members of the Alliance are relieved that the nation’s nearly 65 million Social Security beneficiaries can expect a significant COLA increase in 2022 after decades of miniscule increases,” said Richard Fiesta, Executive Director of the Alliance.

“However, as welcome as this news is, too many older Americans will continue to struggle to make ends meet,” he continued. “We are calling on Congress to pass President Biden’s Build Back Better Act and include a provision allowing Medicare to negotiate the cost of prescription drugs in the package and lower the amount that beneficiaries are paying at the pharmacy counter.”

“The savings from these negotiations should be used to add guaranteed Medicare dental, hearing and vision benefits,” Fiesta added.

Congress could also increase benefits by making the wealthiest Americans pay their fair share and remove the artificial earnings cap that is currently $142,800 per year. The cap will increase to $147,000 in 2022. This change would strengthen the Social Security Trust Fund while providing all retirees with increased benefits.

In addition, the Alliance is continuing to press Congress to require that COLAs be based on the CPI-E, the Consumer Price Index for the Elderly. The CPI-E reflects health care and housing costs, things that seniors actually spend their money on, and this change will result in fairer COLAs every year, not just every few decades.
Analysis Illustrates How Eliminating the Payroll Tax Cap Could Substantially Improve Social Security’s Future

The 2021 Social Security Trustees Report states that the Trust Fund can pay full benefits through 2033, and a new Center for Economic and Policy Research (CEPR) analysis lays out several options for ensuring that all beneficiaries receive full benefits beyond that date.

The analysis outlines small changes that would make the Social Security Trust Fund 100% solvent for the next several decades and illustrates the effect of income inequality on its long-term solvency.

In 1983 only 10% of all income earned in the United States was not subject to the payroll tax. That percentage is expected to grow to 18% over the next decade. In 2022, individuals with incomes above $147,000 will not be required to pay the Social Security withholding.

“The cap needs to be eliminated for people making more than $400,000 annually to keep the wealthiest Americans from paying an even smaller percentage of their income into Social Security over time,” said Robert Roach, Jr., President of the Alliance.

Kaiser Health News: The Public Backs Medicare Rx Price Negotiation Even After Hearing Both Sides’ Views

By Amanda Michelle Gomez

As Congress debates cutting prescription drug costs, a poll released Tuesday found the vast majority of adults — regardless of their political party or age — support letting the federal government negotiate drug prices for Medicare beneficiaries and those in private health insurance plans.

The argument that pharmaceutical companies need to charge high prices to invest in research and develop new drugs does little to change that sentiment, according to the new KFF poll. Most respondents agreed the negotiation strategy is needed because Americans pay more than people in other countries and because corporate profits are too high.

Various polls, in addition to KFF’s, have found the plan to allow Medicare to negotiate prescription drug prices to be very popular. (KHN is an editorially independent program of KFF.) The policy has polled favorably for at least the past six years, according to Ashley Kirzinger, associate director of public opinion and survey research at KFF.

Still, congressional lawmakers have yet to reach a consensus on whether to include such a provision in the major reconciliation bill aimed at funding President Joe Biden’s domestic policy agenda and enhancing social programs. Republican lawmakers generally oppose efforts to impose price restraints on prescription drugs. Democrats in the House are pushing a bill that would allow changes in Medicare drug policies, including negotiations of prices for some medications. The bill passed the House last year but has run into opposition this fall. A few moderate Democrats have introduced a narrower approach.

Read more here.
Elmer Blankenship, Beloved Longtime President of the Indiana Alliance, Passes Away at 95

Elmer Blankenship, a legendary UAW and senior activist who was the founding President of the Indiana Alliance, passed away on Saturday from congestive heart failure.

Early in his career in 1950, Elmer found employment at the UAW-represented Budd company in Gary -- a stamping and metal parts business. Upset with unfair "employee time study" practices by his employer, he quickly got involved in his local union. By 1957, Blankenship's abilities were recognized by UAW President Walter Reuther, who appointed him to the International Union staff, assigned to Region 3 (Indiana and Kentucky). In 1972, Director Dallas Sells appointed Elmer his Assistant Director -- a position he held in Region 3 until his retirement at age 65.

Elmer went on to serve as president of the Indiana Alliance until 2019 -- when he was 93 and became President Emeritus of the Indiana Alliance. He was also the recipient of the Alliance’s Lifetime Achievement Award for his leadership and dedication to retirees that year.

“Elmer’s long and illustrious career with the UAW was only surpassed by his long and illustrious career as an advocate for the retirees of the Alliance,” said Joseph Peters, Jr., Secretary-Treasurer of the Alliance. “Elmer’s mantra was that retirees should be able to live in dignity, and he fought every day to strengthen and increase benefits afforded through Social Security and Medicare.”

“The UAW and the Alliance have lost a warrior,” Secretary-Treasurer Peters continued. “Every retiree owes a debt of thanks to Elmer for his relentless fight to improve their standard of living. Thank you, Elmer, for being a part of our lives. Your legacy will live on.”