



FRIDAY ALERT



Alliance for Retired Americans

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Biden Announces \$36 Billion in Relief to Avoid Cuts to Promised Pension Benefits

President **Biden** announced [\\$36 billion in financial relief](#) on Thursday to prevent pension benefit cuts for thousands of union workers.

Biden was joined by Labor Secretary **Marty Walsh**, union leaders including AFL-CIO President **Liz Shuler** and workers as he detailed the funding for the Central States Pension Fund. The plan provides benefits mostly for Teamsters union employees that include truck drivers, warehouse workers, construction workers and others; the money will come from the American Rescue Plan's Special Financial Assistance Program.

The Central States Pension Fund reported in August that it had \$7.4 billion in assets and had applied for \$35.1 billion in relief. The White House estimated that retirees would have faced approximately a 60% reduction in benefits without the financial relief.



Following the announcement on Thursday, Central States will be able to pay pension benefits earned by the affected Teamsters workers through at least 2051. The Biden Administration estimated that the funds will protect the benefits of more than 350,000 retirees and current union workers.

Thursday's action was possible because Biden won approval of a multibillion-dollar fund to help the Pension Benefit Guaranty Corp.

President Joe Biden announcing the funding Thursday

(PBGC), the federal government's insurer of last resort, as part of his COVID-19 relief bill in early 2021. That provision helped shore up multiemployer pension plans set up for union members that were under financial threat of failing.

“Workers have earned their pensions with their blood, sweat and tears over several decades. President Biden is absolutely right to honor the promise that was made to them,” said **Robert Roach, Jr.**, President of the Alliance. “The Alliance worked with President Shuler and the entire AFL-CIO Retirement Security Working Group to bring about this outcome. We will continue to fight so that all retirees receive the Social Security and pension benefits they have earned.”

Kevin McCarthy Faces Debt-limit Dilemma in Bid for Speaker as House GOP Hardliners Ratchet Up Demands

House GOP Leader **Kevin McCarthy** is facing pressure from House Republicans to detail how he will handle the issue of raising the debt limit before they will commit to supporting him for House Speaker.

A growing number of Republicans have signaled a willingness to force the country to default and set off a global economic crisis unless Democrats and President Biden accept changes to earned benefit programs including Social Security and Medicare.

Some moderate Republicans have [expressed uneasiness](#) over using the debt ceiling as a bargaining chip, risking not only a default but also the political blame. However, seniors' advocates warn that older Americans cannot rely on moderate Republicans to protect them from cuts to Social Security and Medicare in this situation.

“Republicans are going to try to force cuts to the Social Security and Medicare benefits we've earned,” said **Joseph Peters, Jr.**, Secretary-Treasurer of the Alliance. “We must remain vigilant and work with the elected officials who are our allies so that does not happen.”

Kaiser Health News: Paxlovid Has Been Free So Far. Next Year, Sticker Shock Awaits. **By Hannah Recht**

Nearly 6 million Americans have taken Paxlovid for free, courtesy of the federal government. The Pfizer pill has helped prevent many people infected with covid-19 from [being hospitalized](#) or dying, and it may even [reduce the risk](#) of developing long covid. But the government plans to stop footing the bill within months, and millions of people who are at the highest risk of severe illness and are least able to afford the drug — the uninsured and seniors — may have to pay the full price.

And that means fewer people will get the potentially life saving treatments, experts said.

“I think the numbers will go way down,” said Jill Rosenthal, director of public health policy at the Center for American Progress, a left-leaning think tank. A bill for several hundred dollars or more would lead many people to decide the medication isn't worth the price, she said.

In response to the unprecedented public health crisis caused by covid, the federal government spent billions of dollars on developing new vaccines and treatments, to swift success: Less than a year after the pandemic was declared, medical workers got their first vaccines. But as many people have refused the shots and stopped wearing masks, the virus still rages and mutates. In 2022 alone, 250,000 Americans [have died](#) from covid, [more than](#) from strokes or diabetes.

Read more [here](#).

Wait Times Increase for Disability Benefits as Social Security Offices Struggle Financially



Rusty Swain, 59, has neck and back injuries from a job-related accident 10 years ago. His claim for federal disability benefits has been pending for a year.

State operations that review Social Security disability claims face massive backlogs, leaving Americans with disabilities waiting months and even years for judgments. To combat the crisis, House and Senate Democrats are calling for a drastic boost in funding for the Social Security Administration (SSA) to increase staffing, improve technology and expand other investments as the agency confronts the situation.

Senate Finance Committee Chairman **Ron Wyden** (OR) is

among those sounding the alarm about unacceptable delays facing disabled Americans to even find out if they are eligible for benefits. The calls for action follow a [Washington Post report](#) Monday on delays at state offices that process applications for Social Security's two disability programs.

"The additional SSA funding is badly needed, or the delays will get even worse," said **Richard Fiesta**, Executive Director of the Alliance. "People with disabilities cannot afford to wait years to learn whether they are eligible for benefits. Their bills are due now."

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.