



FRIDAY ALERT



Alliance for Retired Americans

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Far-right House Members Seek Commitment that New Speaker Will Use Debt Limit to Force Spending Cuts

Conservative rebels in the House are [demanding](#) that the next Speaker of the House commit to opposing a “clean” debt limit increase later in 2023. Their goal is to tie any vote to increase the nation’s debt ceiling to deep cuts in domestic spending that could include cuts to Social Security and Medicare.



If the maneuver succeeds, it will set up a showdown with Senate Democrats and President **Biden** and put the country at risk of default.

Rep. **Ralph Norman** (R-SC) publicly made the threat on behalf of his camp Wednesday, [telling reporters](#) that Rep. **Kevin McCarthy** (R-CA), who is battling to become Speaker, would have to commit to “shut down the government rather than raise the debt ceiling” in order to win their support to lead the House.

Multiple members have [said](#) the debt ceiling vote should be used to force cuts to Social Security and Medicare, which President Biden has vowed to oppose. The Treasury Department has not said when exactly the debt

limit will expire, but economists estimate it will need to be raised sometime after July.

Rep. **Lloyd Doggett** (D-TX) said that “there certainly is that danger” that 2023 could turn into a repeat of 2011, when the deadlock over raising the debt limit dragged on for months and took the nation so close to default that Standard and Poor’s downgraded America’s credit rating.

“Many Republicans have stated that they will force the country to default, setting off a global economic crisis, unless Democrats and President Biden accept changes to Social Security and

Medicare,” said **Richard Fiesta**, Executive Director of the Alliance. “The Alliance will do whatever it takes to ensure that does not happen, whoever the new Speaker is.”

Pension Spending During Covid Pandemic Provided \$1.3 Trillion to the Economy

Retirees who spent their public and private sector pension benefits in 2020 generated \$1.3 trillion in total economic output, supporting nearly 6.8 million jobs across the nation, according to a [report released Wednesday by the National Institute on Retirement Security](#). The real estate, food services, health care, and retail sectors of the economy saw the biggest employment impacts.



The study, entitled *Pensionomics 2023: Measuring the Economic Impact of Defined Benefit Pension Expenditures*, also found that pension spending added nearly \$157.7 billion to government coffers at the federal, state, and local levels.

"Pension benefits not only provide financial security for retirees, but also boost the economy," said **Robert Roach, Jr.**, President of the Alliance. "At the height of the COVID pandemic, retirees with pensions were able to spend at their normal rate. That spending

supported millions of jobs during a time of massive layoffs. In contrast, many retirees relying on 401(k) accounts during that period were afraid to spend their savings, and that added to the economic turmoil."

A map with downloadable state fact sheets regarding the economic impact of state and local pension plans is available [here](#).

House Investigation into Alzheimer's Drug Places Blame on FDA, Biogen

The Food and Drug Administration's process for approving the Alzheimer's drug Aduhelm, despite great uncertainty about whether it worked, was "rife with irregularities," according to a [congressional investigation](#). The report also criticized Biogen, Aduhelm's manufacturer, for setting an "[unjustifiably high price](#)."

The 18-month investigation, initiated by the House Energy and Commerce Committee and House Committee on Oversight and Reform after the FDA approved the drug, strongly criticized Biogen for setting a price of \$56,000 a year for the drug. The inquiry found that Biogen wanted a history-making "blockbuster" in order to "establish Aduhelm as one of the top pharmaceutical launches of all time," even though it knew the high price would burden Medicare and patients.

The report included the FDA's own internal inquiry into its Aduhelm review process, which found that FDA officials leading the Aduhelm evaluation did not pay enough attention to dissenting views from the agency's own statistical team, which said there was inadequate evidence that Aduhelm worked.

“It is reprehensible that Medicare premiums increased by 14.55% due in large part to one overpriced and unproven drug,” said **Joseph Peters, Jr.**, Secretary-Treasurer of the Alliance. “Fortunately the 2023 Medicare premiums no longer reflect a major Aduhelm surcharge.”

Kaiser Health News: Weighing Risks of a Major Surgery: 7 Questions Older Americans Should Ask Their Surgeon
By Judith Graham

Larry McMahon, who turned 80 in December, is weighing whether to undergo a major surgery. Over the past five years, his back pain has intensified. Physical therapy, muscle relaxants, and injections aren’t offering relief.

“It’s a pain that leaves me hardly able to do anything,” he said.

Should McMahon, a retired Virginia state trooper who now lives in Southport, North Carolina, try spinal fusion surgery, a procedure that can take up to six hours? (Eight years ago, he had a [lumbar laminectomy](#), another arduous back surgery.)

“Will I recover in six months — or in a couple of years? Is it safe for a man of my age with various health issues to be put to sleep for a long period of time?” McMahon asked, relaying some of his concerns to me in a phone conversation.

Older adults contemplating major surgery often aren’t sure whether to proceed. In many cases, surgery can be lifesaving or improve a senior’s quality of life. But advanced age puts people at greater risk of unwanted outcomes, including difficulty with daily activities, extended hospitalizations, problems moving around, and the [loss of independence](#).

Read more [here](#).

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.