



FRIDAY ALERT



Alliance for Retired Americans

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January 3, 2025

President Biden to Sign Social Security Fairness Act into Law on Monday

President **Biden** is scheduled to sign the Social Security Fairness Act, H.R. 82, into law at the White House on January 6. The event is the culmination of decades of activism by Alliance members and it follows House and Senate passage of the legislation in December.

Alliance leaders and members, including President **Robert Roach, Jr.**, Executive Director **Richard Fiesta**, **Bette Marafino**, Co-Chair of the National WEP-GPO Repeal Task Force and President of the Connecticut Alliance, and **Roger Boudreau**, Regional Board Member, will attend the bill ceremony at the White House.

The law restores full Social Security benefits to more than 2 million Americans. Affected retirees will now be eligible to receive up to an additional \$600 per month in Social Security benefits, [calculated](#) retroactively to 2024.

“For years the government has taken away Social Security benefits from millions of retired federal, state and local government employees who worked as teachers, police, firefighters, postal workers and general employees,” said Alliance Executive Director **Fiesta**. “This is long-overdue and would not have happened without the tenacity of Alliance members across the country.”

The Social Security Fairness Act eliminates the Government Pension Offset (GPO) and Windfall Elimination Provision (WEP), which unfairly reduce Social Security benefits for public sector retirees who receive a public pension — or the spouse or survivor of a Social Security beneficiary — who worked in a job not covered by the Social Security program.

The WEP and GPO disproportionately affect lower-income workers and women.

“We thank all the activists and elected officials who are making this much-awaited outcome a reality,” **Fiesta** added. “Once President Biden signs the bill into law, millions more Americans will be able to enjoy the more secure retirement they earned.”

Hundreds of Thousands of Seniors to See Lower Drug Costs in 2025



As of January 1, the \$2,000 annual prescription drug cap is in effect for Medicare Part D beneficiaries. The cap is automatically applied to Medicare Part D plans, so no change is needed on your part. Once a senior's yearly Part D spending hits the \$2,000 threshold, the rest of your eligible costs will be covered. Costs covered by the cap include deductibles, copayments, and coinsurance for drugs in your formulary. What is not included in the cap is drugs that are outside of Part D plans and Part D premiums.

Last year the cap was about [\\$3,500](#). As a result of the change, 19 million people are expected to save an average of [\\$400](#) each. In addition, because of President Biden's Inflation Reduction Act (IRA) prescription drug law, the doughnut hole coverage gap ended on December 31, 2024.

The Department of Health and Human Services has also announced that through the Centers for Medicare & Medicaid Services, Medicare Part B enrollees will receive lowered Part B coinsurance rates for [64 prescription drugs](#) from January 1, 2025 – March 31, 2025. Among the drugs are medications to treat cancer, osteoporosis, and substance abuse disorder.

These savings will reach over 853,000 people and are in addition to savings on over 120 drugs that Medicare recipients have already been saving on through the IRA Medicare Prescription Drug Inflation Rebate Program. The IRA requires drug companies that raise the prices of certain drugs covered under Part B and Part D faster than the rate of inflation to pay Medicare a rebate.

"We applaud President Biden for his relentless work to make prescription drugs more affordable for seniors," said Alliance President **Robert Roach, Jr.** "With provisions such as the \$2,000 annual Part D cap and the lowered Part B coinsurance rates, Medicare recipients will see savings that bring real, positive change to both their finances and their health."

Many Billionaires are Already Done Paying Taxes on Social Security for the Year

According to [public data](#) on **Elon Musk's** income, he likely paid all of this year's Social Security taxes on earnings from Tesla at 15 minutes past midnight on New Year's Eve. In fact, in the first few hours of 2025, more than [229 U.S. workers](#) earning above \$50 million per year will have likely paid all their Social Security taxes for the year.

In contrast, over 164 million workers (about 94% of us) pay Social Security taxes all year long. This wide disparity is due to the cap on maximum earnings subject to Social Security tax — \$168,600 in 2024 and now \$176,100 in 2025.



Elon Musk

If federal policy makers raised the cap on the maximum earnings subject to Social Security taxes, and included more income — interest, business receipts, capital gains — in the definition of earnings, as Medicare does, Social Security could close its solvency gap.

“If the wealthiest Americans paid their fair share, we could strengthen the Social Security

program and even expand benefits,” said **Joseph Peters, Jr.**, Secretary-Treasurer of the Alliance. “That was true last year and it is true again this year. This common sense improvement to Social Security would deliver greater retirement security for all.”

KFF Health News: In Year 7, ‘Bill of the Month’ Gives Patients a Voice

In 2024, our nationwide team of gumshoes set out to answer your most pressing questions about medical bills, such as: Can free preventive care really come with add-on bills [for items like surgical trays](#)? Or, why does it cost so much [to treat a rattlesnake bite](#)? Or, if it’s called an urgent care emergency center, [which is it](#)?

Affording medical care continues to be among the top health concerns facing Americans today. In the seventh year of KFF Health News’ “Bill of the Month” series, [readers shared](#) their most perplexing, vexing, and downright expensive medical bills and asked us to help figure out what happened. Our reporters analyzed \$800,000 in charges, including more than \$370,000 owed by 12 patients and their families.

Read more [here](#).

Alliance Congratulates Staff Member David Blank on His Retirement

After 23 years of service, David Blank, Deputy Director of Communications at the Alliance, is retiring January 3, 2025.

“David has been with the Alliance since our founding, and his contributions have made a real difference for older Americans and for our organization,” said President Roach. “He’s been part of every legislative victory we’ve had, from lowering prescription drug prices to defeating efforts to cut the benefits we’ve earned. He’s also a pleasure to work with and we wish him all the best in his next chapter.”