

# FRIDAY ALERT



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# New Fact Sheet: Elon Musk and Donald Trump's Biggest Lies About Social Security

This week, the Alliance is releasing <u>a new fact sheet</u> debunking the biggest lies being spread about Social Security by billionaire **Elon Musk**, President **Donald Trump**, and others in his administration as they systematically weaken the Social Security Administration.

During an interview on Fox Business this week, Musk stated, "(m)ost of the federal spending is 'entitlements'; that's the big one to eliminate." Commerce Secretary Howard Lutnick has also claimed, without any evidence, that Musk's so-called DOGE team will find \$1 trillion in "waste, fraud, and abuse" in Social Security that can be used to pay for Trump's tax cuts.



"We must always speak truth to power about our earned benefits and the hard-working staff at the Social Security Administration," said **Robert Roach, Jr.**, President of the Alliance. "The stakes are incredibly high, and every American who relies on Social Security needs us to keep the focus on them."

# Essential Social Security 1-800 Number Services Appear Safe ... For Now

On Wednesday, *The Washington Post* reported that the Social Security Administration (SSA) was considering eliminating its widely used phone services and requiring Americans to interact with the agency online or at a field office. In fiscal year 2024, the SSA received nearly 80 million calls through its 1-800 number.

The Post said the proposal was being pushed by the so-called Department of Government Efficiency (DOGE), led by **Elon Musk**. The Trump administration and DOGE have already announced plans to reduce the SSA workforce by at least 15% and eliminate some field offices.

By Wednesday evening, the SSA stated that the reports were "inaccurate" and that core phone services would remain. However, the agency noted it would make changes to procedures for updating beneficiaries' direct deposit bank accounts.

**Richard Fiesta**, Executive Director of the Alliance for Retired Americans, strongly condemned the proposal. "While it appears phone services are safe for now, we must remain vigilant and stop Elon Musk from dismantling Social Security and undermining the benefits that millions of Americans have worked their entire lives to earn."

"The 4.4 million members of the Alliance will hold President Trump and Congress accountable," Fiesta continued. "Our members will let them know—face to face, online, and everywhere else we can make our voices heard—that they must protect Social Security. It's time for any politician who has ever said they care about Social Security to act now before the system is irreparably harmed."

#### CMS Nominee Oz Faces Tough Questions at Senate Confirmation Hearing

Dr. **Mehmet Oz** faced intense questioning from Democratic senators during his confirmation hearing to lead the Centers for Medicare and Medicaid Services (CMS) today.

Throughout the hearing, **Oz** refused to answer a number of questions directly. He would not fully commit to stopping Department of Government Efficiency (DOGE) overreach within CMS or extending Affordable Care Act tax credits. When asked by Sens. **Maggie Hassan** (NH), **Elizabeth Warren** (MA), and **Ben Ray Lujan** (NM) whether he would oppose cuts to Medicaid, he refused to provide a yes/no answer. He also would not rule out support for the House Republican budget proposal, which calls for sweeping Medicaid cuts.

Senator **Catherine Cortez Masto** (NV) pointed out how devastating these cuts would be and expressed alarm that Medicaid fraud might be used as a smokescreen to slash benefits. "It's not people milking the system," said Senator **Cortez Masto**. "Cutting Medicaid – which my Republican colleagues want to do – would close nursing homes in Nevada, it would close hospitals."

**Oz** conceded that Medicare Advantage plans generally cost more money and are a source of inefficiency and fraud. But he did not provide assurances that he would sever his own personal ties to pharmaceutical and corporate healthcare investments.

"I am happy to work with Republicans to go after waste, fraud and abuse, but let's cut out waste, fraud, and abuse where it actually occurs, like upcoding in Medicare Advantage," said Senator **Warren**. "Republicans cutting healthcare for seniors or babies or people with disabilities while the waste and fraud just roll right along for a multibillion dollar insurance company is sickening."

On Thursday, *NBC News* <u>obtained a memo</u> prepared by Democrats on the Senate Finance Committee. According to the memo, which outlined a review of Oz's tax returns from 2021, 2022, and 2023, Oz paid no Medicare or Social Security taxes in 2023 and "negligible" amounts in 2022. The review alleges that Oz underpaid his Self-Employment Contributions Act (SECA) taxes, a tax

on net earnings from self-employment, from income through his media entity, Oz Property Holdings LLC.

"Older Americans earn their Medicare benefits over a lifetime of hard work, and millions also rely on Medicaid to pay for long-term and nursing care," said **Joseph Peters, Jr.,** Secretary-Treasurer of the Alliance. "We continue to have deep reservations about his nomination and believe he is the wrong person to lead CMS at this important time."

### Anthony G. Padilla (Tony), Former President of the Texas Alliance, Passes Away at 79



Tony Padilla, former president of the Texas Alliance and a leader in the railway industry, passed away on March 5th.

Tony enjoyed a remarkable 43-year career in the rail industry, retiring in December 2009. His journey began as a General Clerk Freight and Passenger Agent with Southern Pacific Railroad, and he later became an Amtrak Passenger Agent in both San Antonio and Austin, Texas. He also served as the National Legislative and Political Director for the Transportation Communications Union/International Association of

Machinists and Aerospace Workers (IAM).

Tony worked tirelessly to improve the lives of retirees, serving as Area 5 Director of the National Association of Retired & Veteran Railway Employees (NARVE) and as a member of the Alliance's executive board.

He is survived by his wife, Mary Esther, six children, eleven grandchildren, and one great-grandchild. In lieu of flowers, the Padilla family kindly requests that donations be made in Tony's name to St. Jude Children's Research Hospital.

# KFF Health News: Under Trump, Social Security Resumes What It Once Called 'Clawback Cruelty'

By David Hilzenrath and Jodie Fleischer, Cox Media Group

A year ago, a new head of Social Security set out to stop the agency from financially devastating many of the people it was meant to help.

The agency had long made it a practice to reduce or halt benefit checks to recoup billions of dollars in payments it sent recipients but later said they never should have received.

Martin O'Malley, then the Social Security Administration commissioner, announced in March 2024 the agency would no longer cut off people's monthly old-age, survivors, and disability checks to recoup money they had allegedly been overpaid — a pattern he called "clawback cruelty." Instead,

it would default to withholding 10% of monthly benefits. The new policy allowed people who already live on little to pay their rent and keep food on the table.

Last Friday, the Trump administration reversed that policy.

Read more here.

The Alliance for Retired Americans is a national grassroots advocacy organization with 4.4 million members fighting for retirement security for all Americans. <a href="www.retiredamericans.org">www.retiredamericans.org</a> @activeretirees