



FRIDAY ALERT

Alliance for Retired Americans

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CBO: “Big Beautiful Bill” Has Wiped Out 12 Years of Solvency for Medicare Trust Fund

President Donald Trump and Republicans have shortened the timeline for when the Medicare Part A Trust Fund will become financially insolvent. Researchers now expect the Fund to be depleted by 2040, [according to a new report](#) from the Congressional Budget Office (CBO). That’s a dramatic change from March 2025, when the CBO [estimated](#) that the Trust Fund would be depleted in 2052.

The main reason for the change is the Republican tax law passed last summer. The bill created a temporary deduction for Americans aged 65 and older, significantly reducing the amount of taxable Social Security benefits that will flow into the Medicare Part A Trust Fund over the next 14 years. The law also significantly lowered tax rates and extended earlier tax cuts, severely reducing federal tax revenue by as much as \$4.5 trillion over 10 years. Medicare costs will continue to rise while payroll tax revenue and interest generated from it will decrease.

Medicare Part A covers inpatient hospital services, care provided in skilled nursing facilities, home health care, and hospice care for older Americans.

“This is yet another example of how the ‘One, Big Beautiful Bill’ is a disaster for the programs older Americans earned and rely on,” said **Robert Roach, Jr.**, President of the Alliance. “The Alliance will continue to monitor the bill’s impacts for seniors and work to educate them as the midterm elections approach.”

President Trump’s False Claims on Retiree Issues During State of the Union Debunked

On Tuesday, President Donald Trump delivered his annual State of the Union address to a joint session of the United States Congress. During the nearly two-hour speech, the president repeatedly shared misleading and inaccurate claims about the administration’s policies, particularly on prescription drug prices and Social Security.

Trump claimed he had reduced prescription drug costs from the highest in the world to the lowest through his “most-favored nation” policy and a direct-to-consumer drug portal. In reality, Americans

continue to pay higher prices than people in most developed countries with the average drug price [increasing 4 percent](#) for 2026. The Administration’s policies do not automatically lower prices for all Americans and do not apply to many of the most expensive or widely used medications.

The president also pledged to protect Social Security and falsely claimed that taxes on Social Security benefits have been eliminated. In fact, the tax legislation he signed accelerates the program’s projected shortfall, meaning benefits could be cut by 28 percent across the board one year earlier — in 2032 — unless Congress acts to strengthen the system’s finances. Trump also promoted a “new” program to make retirement savings accounts available to workers without workplace 401(k)s or pension plans, though this initiative was actually signed into law by President Joe Biden in [2022](#).

“It’s bad enough that Social Security is weaker and drug prices keep going up, but President Trump is telling us to ignore reality,” said **Richard Fiesta**, Executive Director of the Alliance. “Older Americans deserve clear facts and honest leadership about the benefits they have worked a lifetime to earn.”

Pennsylvania Alliance President Testifies at Informational Hearing on Online Scams

Pennsylvania Alliance President **Mike Crossey** joined state lawmakers and other witnesses in Harrisburg on Wednesday [to testify](#) about online scams targeting seniors.

In his testimony, he discussed how scams allowed to proliferate on social media networks are harming older Americans’ financial security. Older Americans reported \$4.8 billion in losses from internet scams in 2024 — a 43 percent increase from the year before. He also gave an overview of how the Alliance’s new “[Stop the Scam](#)” campaign will educate older Americans and urged legislators to put more safeguards in place and hold Big Tech corporations accountable.

“Educating seniors about the risks and providing tools to recognize warning signs and protect themselves is a critically important part of the campaign. But education alone cannot solve a problem that is operating at industrial scale,” said President **Crossey**. “We need legislators and regulators to create stronger safeguards, stronger enforcement tools, and to demand greater accountability from the technology platforms that allow scams to spread rapidly and at scale. We also need policymakers to listen to older adults.”



Yosef Getachew, Senior Policy Counsel at [Reset Tech](#), pointed out that scams targeting seniors are supercharged by social media and artificial intelligence – and that corporations like Meta are incentivized to profit from digital scams instead of taking action to stop them.

Other speakers included **Kate Kleinert**, a widow who lost money to a romance scam that originated on Facebook, and **Bill Moyer**, a homeowner whose life was turned upside down because scammers used his home address in fraudulent social media ads.

It's Time to Register for the Alliance's National Membership Meeting this April



The Alliance invites you to attend our National Membership Meeting from April 27 to April 30 at the Sahara Hotel in Las Vegas, Nevada.

[Click here to read the convention call and to register for the meeting.](#)

Attendees will elect the Alliance's officers, participate in special workshops, learn about emerging issues and what's at stake in the 2026 elections, and develop ways to grow our retiree activism. They will also attend a special "Senior Prom Ball and Dinner" celebrating the Alliance's 25th anniversary. Attendees can bring guests to the dinner for a fee of \$50 for each additional person.

"This is an important opportunity for members to celebrate and also help us chart a path forward for the upcoming midterm elections," said **Joseph Peters, Jr.**, Secretary-Treasurer of the Alliance. "We look forward to seeing everyone in Las Vegas this April."

Please contact Joni Jones at jjones@retiredamericans.org or 888-373-6497 with any questions.

KFF Health News: State Lawmakers Seek Restraints on Wage Garnishment for Medical Debt **By Rae Ellen Bichell**

Lawmakers in at least eight states this year are aiming to reel in wage garnishment for unpaid medical bills.

The legislation introduced in Colorado, Florida, Hawaii, Indiana, Maine, Michigan, Ohio, and Washington builds on efforts made in other states in past years. This latest push for patient protections comes as the Trump administration has backed away from federal debt protections, health care has become more costly, and more people are expected to go without medical coverage or choose cheaper but riskier high-deductible insurance plans that could lead them into debt.

"In the wealthiest country on Earth, people are going bankrupt, suffering wage garnishment, just because they get sick," said Colorado state Rep. Javier Mabrey, a Democrat who introduced legislation on Feb. 19 that would, among other measures, ban wage garnishment for medical debt.

[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. www.retiredamericans.org @activeretirees