

FRIDAY ALERT



Alliance for Retired Americans

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Alliance Calls for Federal Loan to Auto Industry

Last Friday, the Alliance Executive Board voted unanimously to join labor and business groups in urging Congress and the White House to provide emergency financial assistance to the U.S. auto industry. “The auto industry is a backbone of the American economy. We must act quickly to help struggling workers, retirees, and families,” said **Ruben Burks**, the Alliance’s Secretary-Treasurer and the former Secretary-Treasurer of the United Auto Workers union. In a letter to all Senators sent this week, the Alliance reinforced that failure to stabilize the auto industry would cause immediate reductions in the pension and health benefits of industry retirees and would overwhelm the ability of the Pension Benefit Guaranty Corporation to meet its obligations. The letter also states that the federal government will also incur liabilities for the health care costs of retirees who have not reached age 65. Congress did not strike a deal this week, and Democratic leaders have asked the Big Three automakers - GM, Chrysler and Ford - to prepare a spending plan. Congressional committees plan to hold hearings on the issue the week of December 2.

Medicare Part D “Doughnut Hole” Remains Confusing to Enrollees

A recent survey by Medco Health Solutions of Medicare Part D enrollees shows that most of them do not understand the “doughnut hole” coverage gap under which they must pay the full cost for their prescription drugs. The *Seattle Post-Intelligencer* reports that 62% of enrollees do not fully understand the concept, and 28% do not know what it is or do not understand it at all. Two-thirds of respondents in the coverage gap are unable to identify what spending counts toward the gap. For the year 2008, once a patient's drug costs reach \$2,510, they must pay full cost for their medications on their own until their out of pocket spending reaches \$3,850. At that point, their coverage resumes. What many people do not understand is that the spending of both the patient and the health plan count towards the gap, causing many to fall into the hole months before they expect to. “Be sure to review all of your materials during this open enrollment season for Part D, and if you are unsure, ask questions,” said **Edward F. Coyle**, Executive Director of the Alliance.

New Law Will Aid Grandparents Raising Their Grandchildren

President Bush recently signed into law the “Fostering Connections to Success and Increasing Adoptions Act” (H.R. 6893). **Brigitte Castellano**, Executive Director of The National Committee of Grandparents for Children’s Rights (NCGCR) and an Alliance board member, was instrumental in passing this bill, which will support grandparents raising grandchildren. Under this law, the federal government will offer support for states to assist with subsidized guardianship payments to grandparents and other relatives who have children placed with them and will allow states to choose to continue benefits until the child reaches age 21. This program will also ensure relatives get notice when children are removed from their parents’ care, and allow states to waive non-safety related standards for relatives who want to care for these children. The law also guarantees

that funding will be available for Kinship Navigator programs, which help caregivers access community assistance and support services. The act will help hundreds of thousands of children and youth in foster care by promoting permanent families for them through relative guardianship and adoption. For more information, visit www.grandparentsforchildren.org or call 866-624-9900.

Tom Daschle to Serve as Next Secretary of Health and Human Services

Tom Daschle has reportedly accepted President-elect **Barack Obama's** offer to be Secretary of Health and Human Services. A Democratic Senator from South Dakota from 1987 until 2005, he had served as Senate Majority Leader. The position is likely to be especially important in the new administration due to Obama's promised health care reforms. If confirmed as Secretary, Daschle will also have a tremendous impact on the course of Social Security and Medicare.

Alliance Executive Board Takes a Stand on Second Stimulus, Passes Resolution

The Alliance passed another resolution, in addition to calling for federal assistance for the auto industry, at the Executive Board meeting last Friday. The other resolution supports a second economic stimulus bill that increases the Federal Medical Assistance Percentage (FMAP), as well as emergency funding for the Older Americans Act. The Alliance further resolved that the economic stimulus package provide state fiscal relief by temporarily augmenting the current level of federal support for state Medicaid programs. An increase in the FMAP is considered by many senior advocates to be one of the most effective ways to stimulate the economy and prevent states from taking action that would jeopardize the health care and services needed by millions of older adults and people with disabilities.

Alliance Mourns Loss of Bob Kalaski

The Alliance family is deeply saddened by Sunday's death of Board member **Bob Kalaski**, 67, of Pennsylvania. Kalaski, who led the Machinists communications department from 1977 to 2001, served as chair of the Alliance's Communications Committee. He taught media training for grassroots activists, wrote frequent letters to the editor, and organized lobbying visits in Pennsylvania and Washington. "Bob was a dear friend to me and to so many others whose lives he enriched through his warmth, his hearty laugh, and his unyielding commitment to the cause. He will be sorely missed," said Alliance President **George J. Kourpias**.

Travel

On Wednesday, **Edward Coyle** traveled to New York City for the convention of the New York City Alliance. **Richard Fiesta**, Director of the Department of Government and Political Affairs, traveled to Atlanta, Georgia for a candidate endorsement event on Thursday. **Ernest "Spud" Terry**, President of the West Virginia Alliance, led a retiree conference in Ripley, WV on November 20 and 21. **Dani Pere**, Field Mobilization Director for the Alliance, was a speaker.

THE NEXT *FRIDAY ALERT* WILL BE PUBLISHED ON DECEMBER 5, 2008. HAVE A HAPPY THANKSGIVING!

This message is being sent to you as a member of the Alliance for Retired Americans. The Alliance is a nationwide membership organization organized under Internal Revenue Code 501 (c) (4) and dedicated to educating all Americans about and advocating on behalf of retirees and seniors. The Alliance is responsible for the content and has paid all costs associated with the preparation and distribution of this message.