

ALLIANCE FOR RETIRED AMERICANS

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Retiree Leader: Medicare Reform Must Be Key Part of the Health Care Debate

The following statement was issued by Barbara J. Easterling, the President of the Alliance for Retired Americans, at a congressional briefing, "Medicare: A Critical Element of Health Care Reform."

"Thank you for being here today. It is a great pleasure to join Barbara Kennelly and the National Committee to Preserve Social Security and Medicare.

"We must make sure that the needs of current – and future – retirees are met in this year's health care bill. You cannot have a health care bill without Medicare reform.

"At the Alliance for Retired Americans, we have been spending the month of May, Older Americans Month, educating our members across the country on these important issues. During next week's congressional recess, we will be organizing grassroots meetings back home with lawmakers. In mid-June, as Congress begins marking-up the health care bill, more than 500 Alliance members will be in town for our annual legislative conference and will be meeting with their state's delegation here at the Capitol.

"A recent study found that a 65 year-old couple retiring in 2009 will need \$240,000 to cover their health care costs. When you think about all the big companies doing away with retiree health care – and the limits on what Medicare provides – it makes you very anxious about the future. And what about our children and grandchildren? Will we be the last generation that ever gets to retire?"

"That is why the national health care debate is so important to retirees. We need to make our voices heard in Washington. Here are three ideas for Congress:

- **First, help early retirees.** More than five million Americans age 55-64 are uninsured. They should be able to buy into Medicare and have regular doctor visits during this critical period of their lives when they are at risk for costly, chronic diseases.
- **Second, lower the Cost of Prescription Drugs.** We must allow Medicare to negotiate volume discounts with drug manufacturers. The Veterans Administration can do this and their prescriptions cost 58 percent less.
- **Third, end the wasteful taxpayer subsidies for Medicare Advantage programs.** We overpay these companies nearly 20 percent more than it would cost Medicare to directly provide these same services. This drains the Medicare Trust Fund and costs every retiree an additional \$3 in monthly premiums.

"As our health care crisis sweeps across generations, our nation must rise to the challenge. The Alliance for Retired Americans strongly urges the Congress to not forget seniors as it goes about its important business over the next few months. I look forward to hearing from today's experts."

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