

FRIDAY ALERT



Alliance for Retired Americans

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Senate HELP Committee Releases Health Care Bill Containing A Public Plan

Democrats from the Senate Committee on Health, Education, Labor and Pensions (HELP) filed a 651-page health care reform bill on Tuesday. The bill contains a public health plan, an employer mandate, and a guaranteed issue of policy, thereby disallowing the refusal of coverage for pre-existing conditions. On retiree issues, there is a Medicare buy-in for 55-64 year olds, which creates a \$10 billion fund to subsidize employers for the buy-in. It is similar to the Part D employer subsidy. Also included in the bill is a provision to explain the effectiveness of drugs with clear information. Other Medicare changes will be in the Senate Finance Committee bill, which will most likely be out next week. The Community Living Assistance Services and Supports Act of 2009 (CLASS Act) is included in the HELP bill, creating a long term insurance program for adults who become functionally disabled. This will help people with severe functional impairments and their families pay for the services and support they need to stay functional and independent, and allow them to have choices about community participation, education and employment. Sen. **Chris Dodd** (D-CT) will manage the bill as Committee Chair **Ted Kennedy** (D-MA) battles brain cancer. President **Obama** had reiterated to lawmakers last week that he thinks Americans should have the choice of a public insurance plan, and the Secretary of the Department of Health and Human Services, **Kathleen Sebelius**, amplified that message in an interview with *The Wall Street Journal*. However, the American Medical Association (AMA) has notified Congress that it will oppose creation of a government-sponsored insurance plan. “We have waited a long time for this day,” said **Edward F. Coyle**, Executive Director of the Alliance. “Now we need to see health care reform through to the end.”

House Releases Its Own Health Care Bill Containing a Public Plan

House Ways and Means Committee Chairman **Charlie Rangel** (D-NY), Energy and Commerce Committee Chairman **Henry Waxman** (D-CA), and Education and Labor Committee Chairman **George Miller** (D-CA) unanimously agree that a public option plan is necessary in providing all citizens with affordable and efficient health care. The Tri-Committee released their health care reform bill this week, also on Tuesday. The bill proposes a Health Insurance Exchange that would include a new public option, as well as current private options. Employers would be able to choose between providing coverage to workers or contributing funds on behalf of their uncovered workers (“play or pay”). Like the Senate bill, the House bill prohibits insurers from excluding patients based on pre-existing conditions. Once this reform is in full effect, insurance will be mandated, excluding cases of hardship. For Medicare, the outline has several Part D improvements: it would shrink the doughnut hole coverage gap; improve low income access; leave out Part D means testing; eliminate Medicare Advantage overpayments; and eliminate cost sharing for Medicare preventive services. However, the House bill does not include the CLASS Act for long term care. “The public plan option, coupled with the ‘play or pay’ mandate, is a commendable step in making health care affordable for all,” said **Barbara J. Easterling**, President of the Alliance.

Kaiser Study: Medicare Part D Has Become More Expensive and Less Accessible

Medicare's Part D prescription drug benefit has always been wrought with loopholes, and according to a new Kaiser Family Foundation study, this coverage has eroded over time, with premiums and cost-sharing requirements increasing. Beginning in 2006, Medicare has provided patients with private plan options to receive their prescription drugs. However, since that time, there has been an overwhelming increase in spending. The average premium, as well as the average cost sharing for a one-month supply of brand-name drugs, has increased by 35%. The doughnut hole remains, and there are fewer plans available to low-income beneficiaries who are eligible for additional subsidies. "We are seeing the inevitable results of insurance companies having too big a role," argues **Ruben Burks**, Secretary-Treasurer of the Alliance.

Alliance State Chapter News: New Hampshire, Wisconsin, and Hawaii

On Thursday, the New Hampshire Alliance hosted its second Retiree Roundtable on Medicare and Health Reform in North Conway, NH. Next Wednesday at 2:00 p.m., **Leon Burzynski**, President of the Wisconsin Alliance, will be a witness at a hearing of the Senate Special Committee on Aging in DC. The theme of the hearing will be, "Social Security: Keeping the Promise in the 21st Century," and it will be held in Room 216 of the Hart Senate Office Building. Finally, this Thursday, June 18 at 7:30 p.m., PBS Hawaii will be airing a local viewing of the film *The Graying of Hawaii*, which examines long term care, family caregiving, and aging in place in Hawaii. Hawaii Alliance President **Al Hamai** and his colleague **Laura Manis** appear in the documentary.

Last Chance to Register for Next Week's Alliance Legislative Conference

The Alliance's 2009 Legislative Conference begins on Monday, June 15 and continues through June 18 in Washington, DC at the Washington Hilton. Actress/activist **Valerie Harper** will be speaking on Monday afternoon. Other scheduled speakers at the conference include **Kathleen Sebelius**; **Richard Trumka**, Executive Vice President of the Alliance and Secretary-Treasurer of the AFL-CIO; Rep. **Jan Schakowsky** (D-IL); **Larry Cohen**, President of the Communications Workers of America; **James Hoffa**, General President, International Brotherhood of Teamsters; **Gerald McEntee**, International President, American Federation of State, County and Municipal Employees; **R. Thomas Buffenbarger**, President, International Association of Machinists and Aerospace Workers; and many others. To register, contact **Joni Jones** by e-mail at jjones@retiredamericans.org or by phone at 1-888-373-6497.

Did You Know...

As many as 1/3 of respondents to a survey said that they are not taking their prescriptions as directed due to cost, up from about 1/4 three years ago (*The New York Times*).

DUE TO THE LEGISLATIVE CONFERENCE, THE NEXT *FRIDAY ALERT* WILL BE PUBLISHED ON MONDAY, JUNE 22, 2009.

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.