

FRIDAY ALERT



Alliance for Retired Americans

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McCain Health Plan Would Cut Medicare by 22%

The Wall Street Journal reported on Monday that **Senator John McCain's** health plan would be financed through \$1.3 trillion in cuts to Medicare and Medicaid over 10 years. According to the Tax Policy Center, this would be a 22% cut in both programs. These cuts would be needed to keep his health care tax credits budget-neutral, in Washington parlance. The Center for American Progress said cuts of this magnitude would eliminate the Medicare prescription drug benefit for 10.2 million low-income seniors. "These reports pull back the curtain on the McCain health care plan, showing us that it would be paid for on the back of millions of retirees. This is terrible news for our nation's seniors, who in this time of economic anxiety, are already struggling to make ends meet," said Alliance Executive Director **Edward F. Coyle**.

\$2 Trillion Lost in Retirement Accounts, CBO Says

Retirement plans in the U.S. have lost \$2 trillion in the past 15 months, the head of the Congressional Budget Office (CBO) reported on Tuesday. The loss, approximately 20% of total value, is indicative of the severity of the current crisis in the financial industry. CBO director **Peter Orszag** said that 10% of this loss was between mid-2007 and mid-2008, with another 10% occurring just in the past three months. "We have a major retirement crisis in America," said Alliance Secretary-Treasurer **Ruben Burks**, adding, "Social Security is more important than ever. It is a mystery to me why, in the face of all this, **President Bush** and Senator McCain want to gamble away a privatized Social Security on the roulette wheel of the stock market."

Alliance's Retiree Roadrunner Vans Educate Retirees in Eight States in Eight Days

Wrapped in red, white and blue roadrunner graphics, the Alliance's Retiree Roadrunner vans are distributing more and more educational information on such senior issues as Social Security and economic security, as well as voter protection. The vans will have visited eight states during the last eight days by the end of the day tomorrow. One van joined up with a Labor '08 walk in Joliet, Illinois last Saturday, then traveled to Indiana for an early voting event in Bloomington and anti-privatization events in Terre Haute, Evansville, Muncie, Ft. Wayne, Kokomo, and South Bend on Monday through Thursday. Today, that van is in Wisconsin for an event at a senior center in Milwaukee, as well as a second event with sheet metal workers/retirees in Madison. The trip concludes tomorrow in Davenport, Iowa with a protest outside a McCain event.

A separate van headed to Connecticut on Monday, then stopped in New Hampshire and Maine, focusing on energy costs during the winter. That van's trip ends with a candidate endorsement in Plains, Pennsylvania tomorrow. "I would like to express a heartfelt thank you to our state Presidents: **Elmer Blankenship** in Indiana; **Leon Burzynski** in Wisconsin; **John Carr** in Maine; **Jean Friday** in Pennsylvania; **Bob Kortkamp** in Missouri; **Kevin Lynch** in Connecticut; **Hal**

Gullett in Illinois; **John Mendolusky** in New Hampshire; and **Don Rowan** in Iowa, who have worked tirelessly to educate seniors with the Roadrunner in advance of the election,” said **George J. Kourpias**, President of the Alliance. “And a special thanks to **Carl “Hands” Pullett**, the Teamsters, and **Dave Meinell** of the Machinists, for taking care of the driving and doing so much more, and to the staff in the Roadrunner states.” The Retiree Roadrunner vans will be in Ohio and Pennsylvania at the end of the month. Take a virtual van ride at www.retireeroadrunners.org .

Older Voters a Key Bloc in Swing States

Due to their higher turnout compared to voters 24 and under, voters 65 and older could form a more decisive voting bloc than younger voters in many swing states in 2008, according to the Associated Press. "Being very popular but among a low turnout group like the young under 30 isn't as valuable to you in terms of votes cast as it might be to have a smaller advantage but to have it among the high turnout older groups," said **Charles Franklin**, a political science professor at the University of Wisconsin, Madison. Recent polls show **Sen. Obama** and Sen. McCain in a statistical tie with voters 65 and over. Obama has acted on older voters' fears about an uncertain economic future, running ads in senior-rich states like Michigan, Florida, and Pennsylvania that remind voters of McCain's plans to privatize Social Security.

Advisor Confirms McCain Supports Part D Means-Testing

On Monday, a top McCain campaign advisor, **Douglas Holtz-Eakin**, confirmed McCain's support of Medicare Part D (prescription drug benefit) means-testing. Under this plan, wealthier seniors would pay more for premiums, as they do under Part B. Said Mr. Coyle, "Given his past comments on the program, it is clear this position is not about a means-test, but about John McCain's philosophical problems with Medicare." Means-testing penalizes the middle class and requires higher premiums from wealthier seniors. As a result, many seniors will find it cheaper to move to private insurers, leaving behind the sickest and poorest.

AIG Execs' Retreat After Bailout Angers Lawmakers

Less than a week after the federal government lent American International Group Inc. (AIG) \$85 billion to avoid bankruptcy, company executives took a \$440,000 vacation to a posh California resort. The final tab at the St. Regis Monarch Beach resort, courtesy of American taxpayers, included \$200,000 for hotel rooms, \$150,000 for catered banquets, \$23,000 at the hotel spa, \$1,400 at the salon, and \$10,000 for "leisure dining." Sen. Obama said at Tuesday's presidential debate, "Those executives should be fired." He also insists AIG executives pay back the Treasury to cover the costs of their vacation. Crippled by huge losses from defaulted mortgages, AIG was forced to accept the \$85 billion loan that gave the U.S. government an 80% stake in the company.

Alliance Travel

Alliance President Kourpias and Director of Government and Political Affairs **Richard J. Fiesta** traveled to Nashville, Tennessee this week, offering the media the retiree point of view on the McCain- Obama debate.