

# FRIDAY ALERT



**Alliance for Retired Americans**

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## **With Super Committee Deadline Passed, December Brings More Decisions**

The November 23rd deadline for the Super Committee to vote on a legislative proposal that achieves \$1.2 - \$1.5 trillion in savings has come and gone without producing any type of report. “We dodged a bullet, but we’re not out of the woods. Attempts to cut Social Security and Medicare could come back awfully soon, as Congress and the Administration continue to look for ways to meet deficit reduction goals,” said **Edward F. Coyle**, Executive Director of the Alliance. Alliance members made more than 2,500 patch-through calls to five Super Committee members who represented them legislatively. Over 240 Alliance members then dialed in for a conference call on Wednesday, November 30<sup>th</sup>, a national conversation with leaders and advocates about a collective strategy, next steps, and what the month of December should look like.

Employees and employers pay into the Social Security system through a payroll tax, and last year, Congress passed legislation to reduce payroll taxes for workers by 2%, to 4.2%. House Republicans are now drafting legislation to renew an expiring unemployment benefits program, and intend to add it to a planned extension of that Social Security payroll tax cut, due to run out on Dec. 31. Senate Democrats held a vote late Thursday on their plan, which would have halved the payroll tax from 6.2% to 3.1% and would be paid for with a surcharge of 3.25% on earnings above \$1 million. That vote failed, as did a Republican Senate alternative. Republican and Democratic leaders have begun discussions on legislation to avert a 27% cut in payments to doctors who treat Medicare patients. The measure has bipartisan support. Lawmakers are eager to adjourn for the year at mid-month.

## **Beware RetireSafe, a Front Group for the Pharmaceutical Industry**

This fall, a little-known group called RetireSafe honored more than 20 vulnerable Republican Members of Congress for supporting seniors. According to *Roll Call*, the operation is led by “former **Bush** and **Reagan** administration officials, small-government activists and pharmaceutical industry lobbyists and consultants.” It is funded at least in part by the Pharmaceutical Research and Manufacturers of America (PhRMA), the drug industry’s chief lobbying group, and has served to validate the industry’s agenda. RetireSafe’s awards provided these Republicans with valuable political cover for supporting controversial bills, such as the budget proposed by House Budget Chairman **Paul Ryan** (R-Wis.) that would have dramatically revamped Medicare. Federal records show that the bulk of RetireSafe’s expenditures, about \$2.2 million, go to direct mail such as a flier that voters in Michigan received this fall praising freshman Rep. **Dan Benishek** (R-Mich.) for protecting Medicare Part D. Other Republican freshmen who have won awards from RetireSafe include Reps. **Jon Runyan** (N.J.), **Allen West** (Fla.) and **Paul Gosar** (Ariz.). RetireSafe currently is opposing Democratic efforts to require drug manufacturers to pay a rebate to the government for drugs sold to low-income seniors through Medicare Part D. The move is strongly opposed by the pharmaceutical industry. “This is the latest example of a front group forming to try to fool seniors. Well, I’m here to say we won’t be fooled!” said **Barbara J. Easterling**, President of the Alliance.

## **Gingrich and Romney Differ in Ways to Cut Programs for Seniors**

Rising in the polls for the Republican nomination for President, former House Speaker **Newt Gingrich** has laid out a plan that would give Americans the option of having a private Social Security account – a proposal similar to the partial privatization that President **George W. Bush** proposed in 2005. Under Gingrich's proposal, part of the employee-funded portion could be invested in a personal savings account. According to *The Boston Globe*, Gingrich attacked those who like Social Security in its current form, saying, "If you are dumb enough that you prefer to get less money with less control while relying on politicians, that's your prerogative. You're an American. You're allowed to be dumb."

*The Globe* also reports that presidential candidate **Mitt Romney's** plan to rein in federal Medicare spending would give the nation's seniors a choice: choose government insurance or use a federal voucher to buy medical insurance from private companies. Seniors would be exposed to potential costs that they do not pay now. *The Globe* calls Romney's plan "vague on politically sensitive points." It does not spell out what share of premiums seniors would be required to pay from their pockets. While Romney proposes increasing the eligibility age for future Medicare enrollees from the current 65, he does not say what the new age should be. "Whether it's leaving out details or trying a plan that has already been rejected, some of the presidential hopefuls are showing that they are poor candidates for seniors," said **Ruben Burks**, Secretary-Treasurer of the Alliance.

## **Census Data Shows 65 – 69 Age Group is Growing the Fastest**

On Wednesday, the U.S. Bureau of the Census released data from the 2010 census on the American population over 65. The census found that there are 40.3 million Americans over 65, an increase of nearly 8 million from the 2000 census. Seniors now compose 13% of the population. America's older population grew at a 15.1% rate while the population as a whole grew at a lower rate of 9.7%. The greatest growth occurred in the number of people 65-69, reflecting the aging of the Baby Boom generation. The five states with the greatest percentage of people over 65 are: Florida (17.3%); West Virginia (16.0%); Maine (15.9%); Pennsylvania (15.4%); and Iowa (14.9%). Sumter County, Florida, which includes The Villages retirement complex, has the highest county population of seniors at 43.4%. The city of Scottsdale, AZ has the highest city percentage of seniors at 20.0%. For more information on seniors and the 2010 census, go to <http://bit.ly/rNHMxM>.

## **Frank Stella Elected President of the Maryland-DC Alliance**

On November 19, **Frank Stella** was elected President of the Maryland-DC Alliance at the group's convention in Silver Spring, MD. Speakers included Member of the Super Committee and U.S. Rep. **Chris Van Hollen** (D-MD), Rep. **Donna Edwards** (D-MD), and Mr. Coyle. On December 1, Coyle traveled to Phoenix, Arizona for a meeting of the Labor Council for Latin American Advancement (LCLAA) Executive Board.

## **Alliance's Midwest Convention to Take Place in Milwaukee**

Join us for the Alliance's Midwest Regional meeting, March 5-7, 2012 at the Milwaukee Hilton in Milwaukee, Wisconsin! To RSVP, or for more information, please call Event Coordinator **Joni Jones** at 202-637-5377 or e-mail [jjones@retiredamericans.org](mailto:jjones@retiredamericans.org).