



# FRIDAY ALERT

Alliance *for* Retired Americans

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Headlines:

Winners in the Midterm Elections Will Affect Policies via the Budget;

Data Show Danger Just around the Corner for the Retirement of Those 55-64;

Affordable Care Act Changes May Take Many Shapes and Forms;

Medicare Open Enrollment Season Goes Until December 7;

Voters Elect New Hampshire Alliance Board Member to Statehouse;

Did You Know...

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Here is your November 14 Friday Alert:

Winners in the Midterm Elections Will Affect Policies via the Budget

The New York Times reports that Congressional Republicans intend to present a plan to overhaul Medicare, calling for vouchers that they call “premium supports” to steer people 65 and over into buying private health insurance. Another plan is to transform Medicaid, which would be cut and turned into block grants to state governments. GOP leaders also intend to set up a new commission to study options on Social Security, while relying on what one House Republican aide called “the solid foundation” of the Ryan budget plan. More at <http://tinyurl.com/qzjkp86>.

According to Time magazine, “Retirement policy wasn’t on the ballot in last week’s midterm elections. But the new political landscape could threaten the retirement security of middle-class households.” With Republicans holding a majority in both the U.S. House and Senate, efforts to cut Social Security and Medicare benefits are more than likely. And additional Republican-controlled statehouses mean more efforts to curtail state and local workers’ pension plans. More at <http://tinyurl.com/lmnonpg>.

“In many ways, the 2014 midterm election results were a setback for seniors,” said Alliance for Retired Americans Executive Director Richard Fiesta. “We must now minimize the damage by making sure retirees keep a close eye on what Congress has up its sleeve.”

## Data Show Danger Just around the Corner for the Retirement of Those 55-64

Dean Baker, co-director of the Center for Economic and Policy Research, writes that 55-64 year-olds must rely largely on the wealth they have accumulated for their retirement, and do not have time for an economic turnaround to improve their situation. High rates of unemployment and weak wage growth have left many in that age group in a difficult situation. For instance, the middle quintile (20%) of the cohort of workers between the ages of 55 to 65 had an average of \$169,000 in wealth in 2013, \$19,000 below the average for this group as reported in the 2010 SCF (Survey Consumer Finance). Wealth includes the equity in one's home; numbers are in 2013 dollars.

Baker added that even the fourth quintile (top 21-40% by wealth) from this age group is not looking especially prosperous. Their average wealth is \$470,000. That is down by almost 40% from the peak hit in 2004. The average equity stake for homeowners is 69.2%, down from 85.2% in 1989. More from Fortune magazine is at <http://tinyurl.com/qxuvbh7>.

"The figures drive home the point that cuts to Social Security and Medicare would be untenable to tens of millions of seniors," said Ruben Burks, Secretary-Treasurer of the Alliance. "Politicians who think that seniors could easily get by despite cuts are fooling themselves."

## Affordable Care Act Changes May Take Many Shapes and Forms

The new Republican Congress will try to either repeal the Affordable Care Act (ACA) entirely, or make major changes to it. Sen. Ted Cruz (R-TX) and Senator-elect Joni Ernst (R-IA) are among those who want a total repeal of the ACA. There may be enough bipartisan support on some provisions, such as a repeal of the tax for medical devices that helps generate revenue to pay for subsidies for low-income enrollees. Republicans also want to make other changes, such as dissolving a federal board meant to oversee health care pricing and eliminating provisions meant to help insurance companies if certain costs related to Obamacare end up higher than expected. Obama might sign some of those into law. Other possible changes could affect ACA enrollees more directly. One Republican bill would lower the subsidies available to those with lower incomes.

Another possibility is a new definition of who counts as a "full-time" worker. The law defines full-time as anybody who works 30 hours per week or more, which means such employees must be offered health care coverage at firms required to provide it. Business groups want the definition changed to 40 hours per week, which would allow them to hire more people who work less without having to offer coverage. That could exempt more people from employer-offered plans and send them, too, to one of the exchanges. More from Yahoo Finance is at <http://tinyurl.com/kg265ds>.

## Medicare Open Enrollment Season Goes Until December 7

Medicare open enrollment started in the middle of October and ends December 7. This is the period when Medicare beneficiaries who want to make changes to their Medicare Advantage (MA) coverage (Part C) or prescription drug plans (Part D) can do so. Those with MA plans get their Medicare Part A (Hospital Insurance) and Medicare Part B (Medical Insurance) coverage from a private plan and not original Medicare.

It is important that beneficiaries compare the available options in their area to make sure they're in the plan that covers the drugs and doctors they need at the best price. You can learn more by calling 1-800-MEDICARE or by going to <http://tinyurl.com/b2x8acx> or <http://tinyurl.com/qfqa5hn>. TTY users should call 1-877-486-2048. Due to the ACA, if you reach the "doughnut hole" coverage gap in Medicare's prescription drug benefit in 2015, you'll get a 55% discount on covered brand name drugs and see increased savings on generic drugs.

#### Voters Elect New Hampshire Alliance Board Member to Statehouse

New Hampshire Alliance Executive Board member Larry Converse won his recount on Thursday by ten votes, 703-693, and will represent Claremont in the State House of Representatives.

"Congratulations to Larry," said Barbara J. Easterling, President of the Alliance. "One sure way to get the legislation the Alliance wants is to elect our own members to political office."

#### Did You Know...

KTUU, the NBC affiliate in Anchorage, Alaska aired the most Senate ads during the 2014 election cycle. The station played 13,200 Senate ads in 2014 through Oct. 27, according to data from the Center for Public Integrity of Kantar Media/CMAG data. When factoring in House advertisements, KTUU played 16,406 political spots this year. More from Politico at <http://tinyurl.com/n35cj4o>.

For a printable or two-page pdf version of this document, go to <http://tinyurl.com/ol68qra>.

For the Alliance's Spanish language page, which includes last week's Friday Alert in Spanish, go to [www.alianzadejubilados.org](http://www.alianzadejubilados.org)