



# FRIDAY ALERT

Alliance *for* Retired Americans

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## Headlines:

**Check Out Alliance Activists in Action at Birthday Events from Coast to Coast**

**Conflicting Court Rulings Could Threaten Affordable Care Act Subsidies**

**Medicaid Premiums May Significantly Curb Enrollment**

**Inequality Rising in Retirement**

**Fiesta Addresses Retired Steelworkers in Nevada**

**Write a Letter to the Editor, Win a Write Stuff Pen!**

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Here is your August 8 Friday Alert:

### **Check Out Alliance Activists in Action at Birthday Events from Coast to Coast**

With Medicare celebrating its 49th birthday last week and Social Security's 79th birthday coming up on Thursday, August 14th, Alliance members have been holding celebrations across the country in honor of the retirement security programs. Richard Fiesta, Executive Director of the Alliance, traveled to Arizona from July 31st to August 4th in order to take part in some of the events. Alliance celebrations in the state included an event in Tempe with Rep. Kyrsten Sinema (AZ-9), an event in Tucson with Rep. Ron Barber (AZ-2), and an event in Flagstaff with Rep. Ann Kirkpatrick (AZ-1). For Facebook pictures from the celebrations in Arizona, go to <http://on.fb.me/X4OvdM>.

To view pictures from some of this week's other events, including celebrations across California and a pair of Iowa events featuring Rep. Bruce Braley (D-IA), check out the photo album on our Flickr page at <http://bit.ly/1AY2jWS>.

## **Conflicting Court Rulings Could Threaten Affordable Care Act Subsidies**

Last month, two federal appeals courts issued conflicting rulings on whether the government can continue to provide subsidies to Americans purchasing health insurance through federally run health exchanges created through the Affordable Care Act. At issue is wording in the health care reform legislation that opponents of the law claim prohibits Americans from receiving tax credits for health insurance purchased through federal exchanges. They claim the law only allows subsidies to go to purchasers who acquire plans through a state-run health exchange. Although the law calls for individual states to run their own exchanges, it allows the federal government to operate a state marketplace if the state does not take on the task. At present, 14 states operate their own exchanges.

In a 2-1 decision, a DC Circuit U.S. Court of Appeals panel ruled that the phrasing of the law would not allow Americans to receive tax credits in the 36 states with federally run exchanges. On the same day, however, the U.S. 4th Circuit Court of Appeals in Richmond issued a 3-0 decision upholding the tax credits. To read more on the rulings, go to <http://lat.ms/1u2qQbh>.

“This is yet another attempt to use the courts to gut a law that is providing coverage to millions of uninsured Americans, lowering prescription drug prices for seniors, and bringing down health costs. Congress certainly didn’t intend to deny coverage to the millions of eligible people living in states that have chosen not to run an exchange,” said Mr. Fiesta.

The Competitive Enterprise Institute, a group attempting to block the health care subsidies, seized upon the conflicting rulings and is now asking the Supreme Court to take up the case. Before that happens, however, the Obama administration is expected to appeal the original DC court ruling. For more on the push to move the issue to the Supreme Court, go to <http://on.msnbc.com/1oh230M>.

## **Medicaid Premiums May Significantly Curb Enrollment**

As a number of states debate expanding Medicaid under the Affordable Care Act, two recently released studies suggest that implementing Medicaid premiums may significantly reduce enrollment in the health care program. One of the studies looked at the Wisconsin Badgercare Plus program, which offers subsidized coverage to low-income families. It found that moving premiums from \$0 to \$10 per month reduced enrollment between 12% and 15%. Four states – Indiana, Iowa, Michigan, and Pennsylvania – have recently expanded or are attempting to expand Medicaid coverage in a way that imposes premiums on newly eligible beneficiaries making between 101% and 138% of the poverty level. The premiums, ranging from \$10 a month in Iowa to 2% of income in Michigan, are unlikely to generate significant revenue for the states – particularly when the administrative costs of collecting payments are taken into account.

“These premiums serve no purpose except to deter low-income Americans from getting the health coverage they need. These states should be doing everything they can to bring coverage to their uninsured citizens, instead of trying to discourage people from signing up.” said Barbara J. Easterling, President of the Alliance. Read more on Medicaid premiums on the Bloomberg site at <http://bv.ms/1sB0tpW>.

## **Inequality Rising in Retirement**

Experts say that the decline of traditional pensions in the private sector and decreasing access to employer-provided retirement plans for lower-income workers has led to a widening wealth gap when it comes to retirement savings. Adding to the gap is increasing income inequality among current workers, which has made it more difficult for many Americans to save for retirement. The wealth gap has led to an increasing number of retirees relying on Social Security for most of their retirement income. “We are facing a retirement security crisis. With Social Security playing an increasingly important role in supporting Americans during retirement, we need to be pushing our elected officials to strengthen and expand our Social Security system,” said Ruben Burks, Secretary-Treasurer for the Alliance. More on the wealth gap is at <http://usat.ly/V5AomL>.

## **Fiesta Addresses Retired Steelworkers in Nevada**

Mr. Fiesta traveled to Las Vegas, Nevada for the Steelworkers Organization of Active Retirees (SOAR) Conference today.

## **Write a Letter to the Editor, Win a Write Stuff Pen!**

This week is an excellent time to write a letter to the editor about Social Security’s birthday on Thursday. If your submission is published, the Alliance will send you a free, union-made “Retirees with the Write Stuff” pen. Most recently, Louis Albano, Ruth Bauer, Joel Berg, Wayne Burton, Charles Deppert, Bill Dooling, Michael Dzwonczyk, Lucy Edwards, Marcy Gregory, Win Heimer, Judy Jobes, Jenny Kenny, Charlie Lemon, Margaret Niederer, Bette Marafino, Carl Ramich, Anna Rickert, Judy Schultz, Stephan Stefan, William Stevens, Helen Torok, Martin Walsh, and Jody Weinreich contributed to the national dialogue with a letter. Please e-mail [aracommunications@retiredamericans.org](mailto:aracommunications@retiredamericans.org) if you have had a letter published. “Letters to the editor are a fantastic way to get our message out,” said Mr. Burks.

For a printable version of this document, go to <http://bit.ly/1r6eNoq>.

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).