



October 14, 2013 E-Newsletter

Republicans Seem Ready to Shift Fight to Cutting Senior Entitlements

Speaker Boehner says on ABC that the fight in Washington is really about the growth in the senior citizen population... the important goal is reducing entitlement spending; may push for cuts that President Obama earlier suggested

There are many who now say the real target of the Republicans in the current battle in Washington is not really Obamacare, it is entitlements, or, more specifically, Social Security and Medicare. These concerns were heightened today when House Speaker John Boehner said on ABC's This Week that what is driving the conflict is the growth in the senior citizen population.

“Let's look at what's driving the problem,” the Speaker said. “...10,000 baby-boomers like me retiring, every single day. 70,000 this week. 3.5 million this year. And it's not like there's money in Social Security or Medicare. The government, over the last 30 years, has spent it all. And so now, we're in this whipsaw effect. This is only year three.

This is going to go on for another 22 years as baby-boomers retire. We know these programs are important to tens of millions of Americans. But if we don't address the underlying problems, they are not sustainable.” ..[Read More](#)



No COLA for Seniors on Social Security: Government Shutdown Delays Calculation

The U.S. Department of Labor has issued a short statement saying it will not be issuing the September results for the Consumer Price Index, because of the government shutdown. This means they will not be calculating the cost-of-living allowance for Social Security beneficiaries in 2014. No alternative date was scheduled.

“If this proves to be correct, then the average COLA paid over the past five years was 1.4%. This would be a record low period since the COLA became automatic,” according to Shannon Benton, Executive Director of The Senior Citizens League.

With only the cost of living change for September to go to complete the calculation, the 2014 COLA (cost-of-living allowance) is still expected be about

“The purpose of the COLA,” according to SSA, “is to ensure that the purchasing power of Social Security and Supplemental Security Income (SSI) benefits is not eroded by inflation. It is based on the percentage increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) from the third quarter of the last year a COLA was determined to the third quarter of the current year. If there is no increase, there can be no COLA.”

The CPI-W is determined by the Bureau of Labor Statistics in the Department of Labor.

For purposes of determining the COLA, the average CPI-W for the third calendar quarter of the last year is compared to the average CPI-W for the third calendar quarter of the current year.

The resulting percentage increase, if any, represents the percentage that will be used to increase Social Security benefits beginning for December of the current year.

This year, there is a focus among senior citizens and their advocates on the change of several CPIs, since President Obama suggested earlier that the annual COLA should be based on an inflation measure known as the “Chained CPI” which is identified as “C-CPI.”...[Read More](#)



You'll Never Guess What's in the Latest Republican Ransom Note



The Republican strategy has shifted from defunding the Affordable Care Act, which they knew they had no chance of doing, to negotiating a **GRAND BARGAIN** with the President. This **GRAND BARGAIN** will encompass big cuts to seniors, disabled, Veterans and what's left of the middle class (working poor).

Read below what they plan to ask in this so-called **GRAND BARGAIN**.

A letter from 51 Republican House members to Speaker John Boehner (R-Ohio) makes Social Security cuts the latest ransom demand of the **Republican hostage-takers** in Congress. This may be unwelcome news to the many tea party Republicans who depend on Social Security benefits.

How do these 51 Republicans want to "change" Social Security to solve our budget imbalances? Their letter is not specific, but they point out that there are a "relatively few, well-known options" to do so. Indeed there are. We have seen these well-known options trotted out by Republican members of Congress over and over again.

Since the House Republicans have taken America's families hostage in the government shutdown, it's starting to become clear what the end game is: **cutting Social Security and Medicare benefits for everyday people in a "grand bargain"** that's not so grand for the 99%.

Here are six cuts to look out for:

- 1. Cutting the Social Security Cost-of-Living Adjustment (COLA) by moving to "chained" CPI.** Under chained CPI, someone retiring at age 65 would lose nearly \$5,000 in Social Security benefits by age 75. By age 85, that person would lose almost \$14,000. If he or she lived until 95, the loss would be more than \$28,000.
- 2. Cutting Social Security benefits for middle- and higher-income retirees.** What do some in Congress consider "middle income?" Well, \$35,000 for starters.
- 3. Increasing Medicare income-related premiums (sometimes called "means testing").** People with retirement income starting at \$47,000 a year would be forced to pay more out of pocket.
- 4. Increasing out-of-pocket health care costs for Medicare beneficiaries.** Seniors receiving Medicare benefits already spend 14.7% of their household income on health-related expenses.
- 5. Raising the Social Security retirement age to age 68 or even higher.** Another painful benefit cut that particularly hurts people who work in manual labor and **people of color**.
- 6. Making people wait until age 67 to receive Medicare.** People who are 65 and 66 would lose Medicare coverage under this change and would, on average, **face higher out-of-pocket health care costs**. Two-thirds of this group—3.3 million people—would face an average of \$2,200 more each year in premiums and cost-sharing charges...
- 7. In stead of scarping the cap on FICA the Social Security Trust Fund, they want to CUT THE WITHHOLDING RATE.... [Read More](#)**

From RIARA President, John A. Pernorio:

Make no mistake, we the most vulnerable are under siege by special interest groups. Social Security belongs to the people who have worked hard all their lives and contributed to it. If you pay in, then you earn the right to benefits for yourself, your spouse and your dependent children when you retire, experience a severe disability, or die. We need to strengthen Social Security, not cut it.

How does the Republican Leadership plan the balance the budget, not by asking the wealthy to pay their fair share, to eliminate American Corporations tax shelters that allows them to pay **NO FEDERAL TAXES** or to raise the cap on the Social Security payroll tax.

Now more than ever we must stand our ground to protect what we worked for. Our politicians must fight the fight for us as the Tea Party politicians did for them. The war on the seniors, disabled, Veterans and the middle class must be WON!!!! Let's stand our ground as they did theirs.

WASHINGTON -- House Republicans appeared to be searching for a way out of the fiscal showdown Wednesday, as reports surfaced that leaders were talking to members about a short-term increase of the looming debt limit. Much of the talk appeared to be inspired by House Budget Committee Chairman Rep. Paul Ryan (R-Wis.), who set the stage with an op-ed in The Wall Street Journal Tuesday, advising that Republicans and Democrats could agree on some cuts and spending reforms.

Ryan reportedly told members of the conservative Republican Study Committee Wednesday morning that they should go along with a short-term hike of the debt limit if President Barack Obama agrees in principle to cuts along the lines of those he suggested in his op-ed.

Another report said House Republicans would have to agree to pass a "clean" hike of the borrowing cap with support from some Democrats to win White House approval.

Obama signaled Tuesday he would accept a short-term clean bill to raise the debt ceiling if no long-term agreement was reached by Oct. 17. But he maintained he would not negotiate over funding the government or paying the bills. A Senate Democratic leadership aide said any deal that included cuts before the government was opened and the debt ceiling raised remained a non-starter on their side of the Hill.

Spokesmen for the House leaders refused to confirm details of the talks. One reaffirmed that House Speaker John Boehner (R-Ohio) still wants spending cuts equal to the amount of any increase in the debt limit. Members of the GOP conference acknowledged there was not yet a firm plan....[Read More](#)

Congressional Progressive Caucus Rallies to Divert Budget Axe from Social Security, Medicare



Growing speculation that GOP seeking way to end government shutdown and swing budget axe at entitlements

Among the organizations that see a possible shift in the Republican budget cutting target from Obamacare to the so-call "entitlements" – Social Security and Medicare – is the Congressional Progressive Caucus, which issued a statement demanding "that cuts to the Social Security benefits millions of Americans have earned are not put on the table to end the government shutdown."

Last Thursday the CPC held a press conference, where 20 members of the CPC and Democratic Caucus were joined by retired Americans, the **Alliance for Retired Americans**, Social Security Works and National Committee to Preserve Social Security and Medicare.

CPC Co-Chairs Reps. Raúl M. Grijalva (D-AZ) and Keith Ellison (D-MN) released the statement after the press conference.

The speculation seems to have shifted over the weekend, however, as more observers see the House Republicans finding a way to end the government shutdown caused by their demand that the national health plan known as "Obamacare" be defunded.

After that battle goes away, the next programs they are expected to target for their budget axe are Social Security and Medicare. A story in SeniorJournal.com on Sunday, October 6, pointed to several signs that this may be the new direction.

Following is text of the CPC statement.

"Social Security is a promise we must keep. The money our grandmothers, grandfathers, widows and children rely on should not be used as bargaining chips in any debate. Moving towards the new benefit calculation for Americans receiving Social Security, known as chained-CPI, will cost those on Social Security an average of \$650 a year. For millions who depend on Social Security, a loss that large could force them to choose between rent and health care.

"The average earned benefit for a 65 year old on Social Security is \$14,800 a year. Moving to chained CPI will result in a \$6,000 loss for retirees in the first fifteen years of retirement, adding up to a \$16,000 loss over twenty-five years. This change would be devastating to beneficiaries, especially widowed women, more than a third of whom rely on the program for 90% of their income and use every single dollar of the Social Security checks they've earned.

"Calculating benefits for Social Security beneficiaries with chained CPI isn't a reform—it's a benefit cut. Americans oppose cutting Social Security or shutting down the government to deny millions of Americans health care. They won't be bullied into changing their minds, and neither will we."