

March 15, 2020 E-Newsletter

Trump Repeats His Plan to Cut Medicare and Social Security

At a town hall meeting broadcast by FOX News Thursday night, President Trump said "we'll be cutting" entitlements like Medicare and Social Security. While Trump had promised not to cut Medicare and Social Security as a candidate for president in 2016, the latest remarks are part of a disturbing pattern. He made similar comments in Davos in

January, and several officials in his administration, including **Larry Kudlow**, Director of the National Economic Council, and **Mick Mulvaney**, Director of the Office of Management and Budget and acting White House Chief of Staff, have repeatedly called for cuts to earned-benefits programs.

"We should do the exact

opposite of what the President is planning, and that means working to expand Social Security and increasing benefits for current and future retirees," said **Richard Fiesta**, Executive Director of the Alliance. "We also need the Senate to pass H.R. 3, the Lower Drug Costs Now Act, so that it can be signed into law. It would add hearing, dental and vision

benefits to Medicare."

H.R. 3, passed by the House of Representatives last year, would not just expand Medicare - it would also save taxpayers billions of dollars by allowing Medicare to negotiate drug prices.



Rich Fiesta,
Executive Director,
ARA

New Republican Bill Will Not Curb Drug Prices

Despite its name, the Lower Costs, More Cures Act (H.R. 19 and S. 3129), a health care and prescription drug pricing bill put forward by Republicans, does little to lower costs or create more cures.

Supporters claim that the bill will curb high health care costs and lower out-of-pocket

expenses, but in reality it will do little. The bill would allow some seniors with large drug expenses to pay in monthly installments but does not lower the overall amount that must be paid.

The legislation does require more transparency about the costs of procedures and drugs, but knowing the

costs up front will not make them more affordable. The bill does not constrain the prices that pharmaceutical corporations can charge for drugs, allowing for the continued price gouging of vulnerable Americans.

"This bill is deceptive. It will not help people with private insurance or Medicare

beneficiaries with high Part B expenses," said **Robert Roach, Jr.**, Alliance President. "The better approach is H.R. 3, the Lower Drug Costs Now Act, which will curb drug prices and lower costs for everyone, including seniors."



Robert Roach, Jr.
President, ARA

A New Tax Form for Seniors: A Guide to the 1040-SR

THE BIPARTISAN BUDGET Act of 2018 introduced a new tax form for seniors effective for 2019 taxes. Known as the 1040-SR, this form is designed to make filing taxes easier for older Americans. "Form 1040-SR is a good option for those ages 65 and over," says Mark Steber, chief tax officer at Jackson Hewitt Tax Service, headquartered in Jersey City, New Jersey.

As you prepare for taxes this year, start by lining up your age with the available options. If you were born before Jan. 2, 1955, you can fill out Form 1040-SR. The tax form is designed to be easier to fill out than the Form 1040, which is what seniors in the past frequently had to use.

Here's why retirees should

consider filing the 1040-SR:

- ◆ Taxpayers born before Jan. 2, 1955, are eligible to file Form 1040-SR.
- ◆ The 1040-SR makes it easy to report retirement income from Social Security, pensions and retirement account withdrawals.
- ◆ The 1040-SR points out the increased standard deduction available to taxpayers age 65 and older.
- ◆ The short, two-page form has senior-friendly features including larger font and bigger text boxes.
- ◆ Seniors who are still working can report wages, salaries and tips.



Those who want to use the 1040-SR will need to meet certain requirements, and it can be helpful to understand some of the key changes this form brings. Here's a look at who can file a 1040-SR is, how the new 65-plus tax form works and what to know about the 1040-SR before you file.

Who Is Eligible for the 1040-SR?

If you turned 65 on or before Jan. 1, 2019, you can use the new tax form if you are retired or working. In addition, if you are married, only one spouse needs to have a qualifying age. "Married people filing a joint return can use Form 1040-SR regardless of whether one or both spouses are age 65 or older or retired," says

Paul Miller, founder of Miller & Company, a New York City-based CPA firm.

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With the 1040-SR, there is no cap on overall income. You also don't have to be under a limit on interest, dividends or capital gains to file the form.

Supreme Court Likely to Hear Affordable Care Act Case This Year



In an important decision that could impact the

health care of millions of people, the Supreme Court **decided this week that it will consider** the latest Affordable Care Act (ACA) case in its next term. This decision to hear the case follows **a January decision** not to take a fast-track approach to the lawsuit. Though the timeline for the hearings has not been set, the court is likely to hear oral arguments this fall, possibly as early as October. A decision on the case would not be likely before 2021.

The lawsuit claims that the ACA is unconstitutional because Congress reduced the individual mandate penalty to zero in the

2017 tax bill. Though this argument was **dismissed** by many legal scholars, the district court **found in favor** of the plaintiffs, and the Trump administration **endorsed** this ruling and **fully supports the lawsuit**. An appeals court last year **agreed with the district court**, at least in part.

Those defending the health law urge the Supreme Court to act quickly, arguing that the prolonged uncertainty over the ACA's fate could damage the nation's health care system and put patients at risk. Importantly, however, the ACA remains in place as the case proceeds.

The ACA's impact on the entire health system cannot be overstated, and the risks for older adults and people with disabilities would be devastating if the law were overturned. The

ACA improved Medicare by expanding coverage for preventative care, limiting costs, and closing the Part D donut hole. Each of these improvements would disappear if the ACA were overturned.

If the plaintiffs succeed, the lawsuit would also end requirements that health insurance cover pre-existing conditions. This could leave some or all of the estimated **133 million Americans under 65 with pre-existing conditions** without affordable coverage. In addition, it would mean the return of lifetime caps on coverage and of the overly punitive "age tax" for older people seeking to purchase insurance.

Perhaps most significantly, the lawsuit would eliminate the Medicaid expansion that

has **improved coverage, access to care, and economic outcomes for low-income adults**.

The Affordable Care Act has led to huge gains in coverage for millions of Americans and has improved the lives of people with disabilities, older adults, and families. We strongly urge states and the Trump administration to abandon efforts to undermine the ACA, and to instead work together to improve health care and coverage for all Americans.

Read more from Medicare Rights about the ACA's coverage expansions and consumer protections.

Read more about the Supreme Court's decision to hear the case this fall.

Federal Government Takes Steps to Protect People with Medicare and Limit the Spread of Coronavirus

This week, as the number of COVID-19 (also called coronavirus) cases continues to grow across the U.S., policymakers in Washington D.C. took steps to ensure people with Medicare can safely access needed care.

In a **blog post** on March 3, the Centers for Medicare & Medicaid Services (CMS) clarified that coronavirus testing will be covered under Medicare Part B as a **clinical diagnostic laboratory test**, for which beneficiaries usually pay nothing. The coverage is retroactive to February 4, 2020, but providers will have to wait until April 1 to submit claims to Medicare.

On March 4, the agency also **announced** several actions aimed at limiting the spread of coronavirus:

- ◆ First, CMS suspended all non-emergency nursing facility inspections across the country, **ordering** its 8,200 inspectors to temporarily focus only on infection control and other serious health threats. As a result, surveyors will be working to ensure the effective implementation of infection control procedures at nursing

homes and hospitals, prioritizing those in locations where coronavirus has been identified among patients or in the community. In addition to these emergent issues, state agency surveyors will continue to conduct statutorily-required inspections nationwide, including responding to all immediate jeopardy complaints as well as allegations of abuse and neglect.

- ◆ The agency also issued guidance to help **nursing homes** and **hospitals** address the coronavirus outbreak. Geared toward answering frequently asked questions from facilities and providers, the memos outline how to screen patients, staff, and visitors for infection and when hospitalization is needed over self-isolation. They also cover how to transfer patients between nursing homes and hospitals and when providers should take precautionary measures.
- ◆ Finally, CMS announced that it has deployed an infection prevention specialist to the



Centers for Disease Control and Prevention's (CDC) Atlanta headquarters to assist with the development of future rapid-response guidance.

Congress also took action this week, passing an \$8.3 billion emergency funding bill aimed at improving preparedness and response.

The bill supports an array of activities, including vaccine research and development; federal, state, and local public health agencies; and loans for small businesses affected by the outbreak. Notably, it also gives the HHS Secretary the authority to temporarily waive Medicare's geographic and originating site telehealth restrictions for people in areas where certain emergency declarations have been issued—including nationwide pursuant to a national public health emergency due to the coronavirus. Lifting these restrictions would allow qualifying beneficiaries in urban and rural areas to access the benefit from their own homes.

This provision could improve access to Medicare's telehealth benefit during the current

outbreak and in the future. Medicare Rights welcomes its inclusion in the supplemental spending bill.

More detailed federal guidance on using telehealth during the coronavirus is expected, as are additional federal agency materials. Stakeholders have already requested information from CMS on the challenges facing health care workers in home-based settings, as well as on the problems facilities anticipate if the coronavirus continues to spread—such as potential shortages of medical and other supplies.

Medicare Rights will continue to monitor this evolving situation and we will provide updates and information as available. If you have questions about your Medicare coverage and the outbreak, please call our National Helpline at 800-333-4114.

Read the CMS blog post, Medicare now covers coronavirus testing.

Read the CMS press release, CMS announces actions to address spread of coronavirus.

President thinks about taking money from Social Security to pay for economic stimulus

TSCC is troubled to learn that earlier this week the President tweeted that a **short-term payroll tax** cut should be considered, fueling a conversation around the potential for a temporary stimulus package.

What that means, in plain language, is the President is suggesting that for an unspecified “short term,” taxes paid by workers into the Social Security system be suspended, further weakening the Social Security system.

In January the President had said he would “take a look” at cutting entitlement spending, which is Washington talk for

cutting Social Security, Medicare and Medicaid. However, the next day after the interview he backed off his statement and tweeted that he would save Social Security.

Conservatives and budget hawks have long sought to roll back large government programs like Medicare and Medicaid to rein in the debt.

There were reports recently that Republicans in the House of Representatives are insisting that stemming the growth of Social Security, Medicare and Medicaid costs is necessary. *Bloomberg*



news reported on a House Budget Committee hearing about a new Congressional Budget Office (CBO) report that projects trillion-dollar deficits for the next decade.

At the hearing the top Republican on the committee, Steve Womack of Arkansas and other Republican lawmakers said that Congress will need to limit the growth of Social Security, Medicare and Medicaid, which they referred to as “major mandatory programs.”

According to the CBO report, the fiscal shortfall is largely due to the growth of Social Security, Medicare, Medicaid and interest

payments as a share of the country’s gross domestic product, while tax revenue stays relatively steady and spending for other programs drops.

However, what the CBO report apparently does not point out is that major corporations in this country pay no taxes at all. That is happening because of the way the laws are written.

The **coronavirus** emergency spending bill that Congress just passed was not “paid for,” in Washington’s language. It was added to the deficit, which means the government will borrow the money to pay for it.

During A Pandemic, States’ Patchwork Of Crisis Strategies Could Mean Uneven Care

A possible coronavirus pandemic could overwhelm the nation’s hospitals and force doctors into difficult decisions about how to allocate limited resources. Yet, experts say, only a handful of states have done the work necessary to prepare for such worst-case scenarios.

How would hospitals handle overflowing emergency rooms? What would doctors do if they ran out of medicines or ventilators? How would they decide who gets prioritized if they can’t treat everyone?

Many fear the rapid spread of the virus invites a repeat of disaster scenarios like those that occurred in 2005 after Hurricane Katrina, when some health care providers in New Orleans were

accused of **euthanizing elderly patients**.

To ensure that would never happen again, a group of clinicians, ethicists and legal experts created a framework more than a decade ago for “crisis standards of care,” through which states could help hospitals, doctors and front-line health care workers prepare for the tradeoffs that arise in a crisis.

“You definitely don’t want people making those decisions in the heat of the moment, when they haven’t slept and they haven’t eaten and there’s no air conditioning,” said Dr. **Matthew Wynia**, director of the Center for Bioethics and Humanities at the University of Colorado’s Anschutz Medical Campus. “You



make worse decisions under those circumstances.”

In worst-case scenarios, the health care system likely will not be able to provide the same quality of care as in calmer times. While federal officials can provide recommendations, such public health emergencies fall under the purview of individual states. Triggered only when a governor or local municipality declares a state of emergency, state plans allow for the waiver of regulations that might limit how hospitals and doctors treat patients.

“COVID is not Hurricane Katrina; COVID could be far worse,” said **James Hodge**, a professor of health law and ethics

at Arizona State University. “We will be testing our capacity as a nation and, I daresay, there will be some failures. But I think those failures will be far fewer than before we actually talked through the crisis standards of care issue post-Katrina.”

But while 36 states have drawn up crisis plans that could be enacted amid a COVID-19 pandemic, many of those states just copied the language from national recommendations, said Dr. **John Hick**, medical director for emergency preparedness at Hennepin Healthcare in Minneapolis. They did not detail how the plans would be implemented locally. ...[Read More](#)

Dental Shock: Six Pulled Teeth And One Unexpected Bill

One woman’s small church took up a collection for her, but the surprise bill — four times what she expected to pay — was sent to collections.

The ache in three of Kathy McCracken’s teeth started almost four years ago. It was hard for her to chew and swallow. She was sensitive to both hot and cold food.

“Pain, pain, pain” was how McCracken, now 69, described the feeling. After taking X-rays, she said, her dentist told her six teeth would need to be pulled.

She had two teeth with exposed roots, holes in another two, one tooth with a cap that had a cavity underneath, and a piece of a tooth left from one that had been pulled, she said.

McCracken found herself in difficult circumstances. The dental insurance she had through her husband’s employer was already maxed out for the year and, living on a fixed income, she couldn’t afford to pay the \$3,000 out-of-pocket estimated cost of treatment. Seeing her



predicament, her pastor in Statesville, the Rev. Amy Spivey, offered to use money from Monticello United Methodist Church’s discretionary fund to cover it.

“I thought about her dental health as something that is a major gap in her Medicare and how ... because it’s such an extenuating issue and there’s no insurance or resources for it, she was caught,” Spivey said.

But when the bill for the tooth extractions ended up being more

than \$13,000 and McCracken’s account was sent to collections, McCracken and the church went into protest mode to fight charges four times higher than expected...

Dental care is a medical expense that frequently leads to large out-of-pocket bills, since commercial insurers often stipulate a maximum payout of a couple of thousand dollars a year and Medicare offers no or limited coverage. That leaves patients extremely vulnerable. ...[Read More](#)

Celebrating Women's History Month and 100 Years Since Women Won Voting Rights

March is Women's History Month, with International Women's Day on March 8, and 2020 is the 100th anniversary of women securing the right to vote. The 19th Amendment was ratified on August 18, 1920, guaranteeing and protecting women's constitutional right to vote.

During the 1820s and 30s, most states had extended the franchise to all white men,

regardless of how much money or property they had. The Seneca Falls

Convention in 1848 launched the suffrage movement, and women and their allies mobilized over the next 70 years to educate the public and fight for their rights. **Black women were a key part of a diverse coalition** that eventually brought the women's vote to fruition,



although it would be many decades before their right to fully exercise their votes was secured. The final push for ratification included women lobbying Congress and President **Woodrow Wilson**, picketing at the White House, and going on hunger strikes when they were arrested. Millions of brave women joined the movement, including Alliance Executive

Vice President **Jo Etta Brown's** grandmother. "One hundred years ago, what a challenge it was to march for the women's right to vote," said Executive Vice President Brown. "This most privileged right was won through dedication, determination and courage. Much of what I do is dedicated to my grandmother's memory and those heroic women I never knew."

Pence Leaves Out Key Details About Health Coverage Of Coronavirus Testing

"With regard to the cost, let me be very clear: HHS has designated the coronavirus test as an essential health benefit. That means, by definition, it's covered in the private health insurance of every American, as well as covered by Medicare and Medicaid."

— Vice President Mike Pence during a March 4 press briefing.

Amid ongoing concern about the new coronavirus, Vice President Mike Pence sought to assure Americans that their health insurance will cover the tests needed for diagnosis.

"With regard to the cost, let me be very clear: HHS has designated the coronavirus test as an essential health benefit. That means, by definition, it's covered in the private health insurance of every American, as

well as covered by Medicare and Medicaid."

That got us wondering about Pence's assurance. Can he really claim that this designation means that all Americans with private health insurance, Medicare and Medicaid will be covered? And, is there a difference between coverage and cost?

First, what are "essential benefits" and why does that matter?

We reached out to the vice president's office for details about his comments but got no reply.

Next, we consulted with a range of experts, who helped us fill in the blanks.

"There are many things wrong with the statement," said Christen Linke Young, a fellow with the USC-Brookings



Schaeffer Initiative for Health Policy.

For one thing, many Americans' insurance policies don't have to include coverage of

essential health benefits, but more on that later. Still, as Young and other experts helped us piece together the details, it became increasingly clear that this testing will ultimately be covered by most Americans' health insurance. But, it is not a simple process — the actual cost to patients is the biggest uncertainty — and making it happen will require steps not only by the federal government, as Pence suggested, but also by state regulators and private insurers.

Our Ruling

Pence said "HHS has designated the coronavirus test as an essential health benefit.

That means, by definition, it's covered in the private health insurance of every American, as well as covered by Medicare and Medicaid."

There are a number of moving parts to this statement, but it tends to leave out important details. For instance, many private and employer health plans have flexibility about what benefits they cover and what consumers will pay. In addition, coverage does not necessarily mean low cost.

Bottom line: The idea that "everyone who has private insurance will be covered for this testing" is an overstatement. It fails to acknowledge the need for action at the state level and from the private sector, too.

For these reasons, we rate this claim as Half True.... [Read Full Article](#)

Coronavirus gets real for an aging Senate

They traverse the country every week by plane, appear at events with hundreds of people and shake countless hands. They work in a sprawling complex with a constant influx of tourists. And two-thirds of them are over the age of 60.

In other words, U.S. senators are among those most at-risk of contracting — and potentially succumbing — to the coronavirus that is spreading rapidly around the globe.

But most of them have no

intention of radically changing their habits amid a seemingly uncontrolled outbreak.

"Our lifestyle is the exact opposite of a quarantine. We are by nature public animals and in contact with the public, and you know I spent the weekend going to a dozen events — a dozen — and half the time people elbow, fist bump, shake hands," Senate Minority Whip Dick Durbin (D-Ill.), 75, said.



"I'm not scared, I'm healthy, I can deal with it — but I'm in the age group and I take it seriously."

Senators described their institution as uniquely vulnerable to the virus, which has disproportionately affected the elderly. And they acknowledged that the nature of their jobs makes it much more likely that they will come in contact with the virus.

"Somewhere between a

football team and a nursing home is where I'd put us," Sen. Lindsey Graham (R-S.C.), 64, quipped when asked about senators' susceptibility.

"I think most members are in good shape," he added. "But it does attack older people like myself. But again, it's a lot like the flu in terms of the way it interacts — without a vaccine."

difficult for those who work in the Capitol to remain healthy.... [Read More](#)

7 WAYS FOR SENIORS TO REDUCE THE COST OF PRESCRIPTION DRUGS

Seniors spend a lot on prescription drugs

On average, people over age 65 take **14 – 18 prescription medications** a year.

Unfortunately, the cost of prescription drugs have been increasing steadily over the years, putting significant financial pressure on seniors.

In fact, the prices of the 20 most commonly prescribed brand-name drugs for seniors **rose nearly 10 times more** than the annual rate of inflation over five years.

If your older adult is paying a lot for medication, checking to see if there are ways to reduce the cost of prescription drugs could mean thousands of dollars in savings.

To help make their medicine more affordable, we rounded up 7 tips that help seniors save money on prescription drugs.

7 ways for seniors to lower the cost of prescription drugs

1. Switch to generics

On average, **generic drugs cost about 85% less** than brand name drugs.

Ask your older adult's doctor if there are generic drugs that could safely replace their brand medications.

The FDA requires generic drugs to have the same quality and performance as brand name drugs, but there may still be subtle differences that could affect your older adult's health.

That's why it's important to speak with the doctor before making any changes.

2. Find less expensive brand name drugs

Most health conditions can be treated by a variety of different drugs.

Some of those drugs may work in similar ways, but can cost much less.

Ask your older adult's doctor if there are less expensive brand name medications that could treat their condition just as well as the current medication.

3. Switch to a mail-order pharmacy

Many health plans and pharmacy companies encourage you to use their mail-order



pharmacy.

You'll save money on most drugs and get a 3 month supply.

That means fewer trips to the pharmacy – a time-saver too!

4. Find a better Medicare drug plan

If your older adult is paying high prescription medication costs, a different Medicare drug plan could lower those costs.

Use the **Medicare Plan Finder** to compare different plans or talk with a free expert counselor at your local **State Health Insurance and Assistance Programs (SHIP)** office.

5. Get help from state programs

Some states have programs that provide **extra help** paying for prescription medications.

It's worth the time to investigate if your older adult's drug costs are high relative to their income – they may qualify. **Find out if your state offers extra help paying for prescriptions.**

6. Get help from the drug

manufacturer

Some drug companies offer programs that help people pay for their medications.

Use **this simple tool** to look up your senior's drugs to see if there are any assistance programs.

However, the benefit of drug manufacturer coupons are changing now that insurance companies have put **copay accumulators** in place.

Examine your older adult's specific prescription drug plan to see how using these type of coupons will affect their deductible and out-of-pocket costs.

7. Apply for the Extra Help program

For lower income seniors, Social Security has a program called Extra Help With Medicare Prescription Drug Costs.

It helps pay for costs related to a Medicare prescription drug plan. **Find out if your older adult qualifies** and how to apply.

Trump pitched 0% payroll tax rate for the rest of the year

◆ President Donald Trump, in a meeting with Republican lawmakers on Capitol Hill Tuesday, pitched a 0% payroll tax rate that would last through the rest of this year, a White House official told CNBC.

◆ The development comes as Trump and the White House try to put together an economic stimulus plan to counteract the impact from the widening coronavirus outbreak.

◆ The White House is also considering federal assistance for the shale industry as oil prices have tanked in recent days due to a price war between Russia and Saudi Arabia.

President Donald Trump, in a meeting with Republican lawmakers Tuesday on Capitol Hill, pitched a 0% payroll tax rate for employers and employees that would last through the rest of this year, a

White House official told CNBC.

There was also discussion of making the payroll tax rollback permanent, said the official, who declined to be named. Payroll taxes are used to fund Medicare and Social Security. When asked about the potential cost of a payroll tax cut, the official pushed back and asked why there is always a focus on the cost of tax cuts.

The development comes as Trump and the White House try to put together an economic stimulus plan to counteract the impact from **the widening coronavirus outbreak**. After a 2,000-point drop by the Dow Jones Industrial Average on Monday, the Dow bounced back somewhat Tuesday, **rising 1,000 points late in the trading session**.

There was also discussion of making the payroll tax rollback permanent, said the official, who declined to be named. Payroll



taxes are used to fund Medicare and Social Security. When asked about the potential cost of a payroll tax cut, the

official pushed back and asked why there is always a focus on the cost of tax cuts.

Republican senators have reportedly been skeptical of a payroll tax cut, which has been pushed by Peter Navarro, one of Trump's leading advisors on trade policy.

Payroll taxes are paid by employers and employees. They are used to fund Social Security, Medicare and other government programs. For Social Security, employee wages are subject to a 6.2% tax up to \$137,700. Workers pay a Medicare tax of 1.45%. Employers match what employees contribute by kicking in 6.2% toward Social Security and 1.45% for Medicare.

The discussion about potential payroll tax reductions comes as

Trump has come under fire for saying that he would consider cutting entitlements. His potential Democratic rivals in November's election, particularly Sen. Bernie Sanders, have hammered Trump for his remarks on entitlements.

How payroll taxes work

Payroll taxes are withheld from workers' wages and are used to fund government programs, such as Social Security and Medicare.

For Social Security, employee wages are currently subject to a 6.2% tax up to \$137,700. Workers also pay a Medicare tax of 1.45%.

Employers match what workers contribute by also kicking in 6.2% toward Social Security and 1.45% for Medicare.

Workers who earn more than \$200,000 individually, or \$250,000 if they are married and filing jointly, pay an additional 0.9% Medicare surtax.

These 13 States May Be Coming for Your Social Security Benefit

Earn too much, and these states will make you hand over a portion of your Social Security benefit.

Social Security is easily our country's most successful social program. For more than 80 years, Social Security has made guaranteed monthly payouts to eligible retired workers, with over 64 million people today receiving a benefit.

What's more, these payouts are making a meaningful difference in the financial well-being of elderly Americans. Even though the average retired worker benefit is only \$1,505.50 a month, as of January 2020, this payout is singlehandedly responsible for pulling **more than 15 million retirees out of poverty.**

But there's something else Americans get with **Social Security** that they may not expect: the possibility of being taxed.

Yes, the federal government can tax your Social Security benefit

Back in 1983, the Reagan administration passed the last major overhaul of the Social Security program. The changes made came from both sides of the aisle, with Democrats successfully pushing for increases to revenue generation, and Republicans netting long-term outlay reductions via a gradual increase to the full retirement age. But the biggest change of all was the introduction of the taxation of benefits, which officially took effect in 1984.

The **taxation of benefits**, as introduced in the Social Security Amendments of 1983, allowed the Internal Revenue Service to apply federal ordinary income tax rates on up to half of an individual's or couple's Social Security benefit, depending on



their income. If an individual's or couple's modified adjusted gross income (MAGI) plus one-half of benefits exceeds \$25,000 or \$32,000, respectively, they would be subject to this tax.

In 1993, under the Clinton administration, a **second federal tier of taxation was added.** If an individual or couple exceeds \$34,000 or \$44,000, respectively, using the same MAGI plus one-half benefits formula, then up to 85% of their Social Security benefits are subject to federal ordinary income tax.

What's been a particular bummer about the taxation of benefits is that the income thresholds passed in 1983 and 1993 have never been adjusted for inflation. Therefore, a greater number of seniors are being taxed on their Social Security payouts at the federal level over time. According to nonpartisan senior

advocacy group The Senior Citizens League, nearly half of all seniors now pay tax on their benefits.

These states may take a bite of your Social Security income, if given the chance

However, the tax buck doesn't stop with Uncle Sam. Believe it or not, **13 states also tax Social Security benefits** to some varied degree. Listed in alphabetical order, these states may take an additional bite out of your Social Security income, if given the opportunity:

Colorado • Connecticut • Kansas • Minnesota • Missouri • Montana • Nebraska • New Mexico • North Dakota • Rhode Island • Utah • Vermont • West Virginia

If you don't see your state on this list, be thankful, for you're living in one of the **37 states that doesn't place a tax on Social Security income....[Read More](#)**

New Federal Rules Will Let Patients Put Medical Records On Smartphones

Federal officials on Monday released groundbreaking rules that will let patients download their electronic health records and other health care data onto their smartphones.

"Patients should have control of their records, period. Now that's becoming a reality," said Health and Human Services Secretary Alex Azar. "These rules are the start of a new chapter in how patients experience American health care."

Officials said the rules likely will give patients a greater say in health care decisions and put an end to a long-standing practice in which some doctors and hospitals resist handing complete medical files over to patients upon demand. Many of the provisions are set to take effect in 2022.

"The days of patients being kept in the dark are over," said Centers for Medicare & Medicaid Services Administrator Seema Verma. "In today's digital age, our health system's data-sharing capacity shouldn't be mired in the Stone Age."

Yet the new rules also have raised concerns about privacy as technology companies, such as

Google, Microsoft, Apple and Amazon, open up new markets for providing medical records through mobile apps. Major EHR vendor Epic, for instance, has warned that freer flow of medical records could spur the unwanted sale of data or other unauthorized uses.

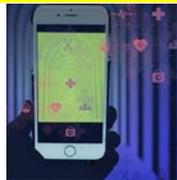
"Family members may be shocked to find that their most personal health data has been mined and sold by data brokers and is now known by others, Epic CEO Judy Faulkner wrote last June in opposing the rules.

Administration officials said they have taken privacy considerations into account and would require developers to attest to plans to protect the security and use of medical data.

Verma took a swipe at Epic in an interview with KHN and Fortune.

"We're not afraid to take on special interests to do what's right for patients. Some people disagree because they want to keep the data," she said. "The reality is that patient data belongs to patients. It doesn't belong to EHR companies."

Verma said the nation's health



care system remains "hugely expensive and inefficient as repeat tests drive up costs and, perhaps most importantly, doctors are forced to provide care with an incomplete clinical picture, especially at a time when the health care systems could be under stress."

"With the handling of the COVID virus, the urgent need for coordinated integrated care could not be clearer," she said.

Donald Rucker, who coordinates health information technology policy for HHS, said the new rule "will allow patients the ability to manage their health care the same way they manage their finances or the travel or other parts of their life on their smartphone."

While Epic, the maker of the most-used electronic health records software, led a campaign to derail the rules, its chief competitor, Cerner Corp., argued the rules were long overdue.

"Consumers should have the right to access the health care information their providers have about them and dictate where they want it to go. Although

existing laws allow patients to access their data, it doesn't work," Cerner CEO Brent Shafer said in a statement.

The rules also attempt to prevent EHR vendors from silencing critics of their software products. The government wants to encourage doctors and other users of EHR technology to share their experiences about software problems by prohibiting so-called gag clauses in sales contracts. That could free users to criticize EHR systems, including more open discussion of flaws, software glitches and other breakdowns.

"**Botched Operation**," an investigation published by Kaiser Health News and **Fortune** last year, found that the federal government has spent more than \$36 billion on the EHR initiative. Thousands of reports of deaths, injuries and near misses linked to digital systems have piled up in databases over the past decade — while many patients have reported difficulties getting copies of their complete electronic files, the investigation found....[Read More](#)

How coronavirus differs from flu: Symptoms to watch for

Officials are urging anyone who develops possible symptoms of the novel coronavirus to contact health care providers to inquire about next steps and possible testing, but with millions infected by the influenza virus in the U.S., many are wondering how to tell the difference between the two.

“There is so much overlap in symptoms between flu and COVID-19 but a couple of hallmark differences do exist,” Dr. Caesar Djavaherian, co-founder of Carbon Health, told Fox News. “Influenza tends to cause much more body pain and the COVID-19 virus tends to feel much more like the common cold with fever, cough, runny nose and diarrhea. However, in a small portion of the population with either COVID-19 or influenza, symptoms progress to kidney failure and respiratory

failure.”

By the end of February, the Centers for Disease Control and Prevention (CDC) estimated that at least 32 million cases of the flu were reported in the U.S., resulting in 310,000 hospitalizations and 18,000 deaths. For the coronavirus, by March 3 the number of confirmed cases in the U.S. had reached 100, including several presumptive positive cases and 24 in repatriated Americans. At least nine COVID-19 patients have died.

But several health officials, including New York Gov. Andrew Cuomo, have cautioned that healthy Americans who contract COVID-19 may not even know that they have it, and will heal without any treatment. Others say their experience will be similar to that of a common



cold, but for those with underlying health conditions, the virus can be severe.

“The differences arise in the very small portion of the population who are at risk because of their lung or heart conditions whose lungs can fill with fluid or go into kidney failure and unfortunately, eventually die, with COVID-19,” Djavaherian said.

One of the most imperative ways to stop the spread, experts say, is to avoid contact with a sick person, and to practice your own good hygiene. Part of that includes staying home when you’re sick and thoroughly washing hands.

“If you are sick, monitor your symptoms daily, and when your common cold turns into a deep unrelenting cough and then shortness of breath, those are the

signs that we worry about and the signs that require patients to get medical attention right away,” Djavaherian said. “They may be from pneumonia but in a very, very small group of patients, maybe a COVID-19 infection that has gone into the lungs.”

Djavaherian said it’s imperative to call your health care provider ahead of time to share your symptoms and concerns so that they can prepare the appropriate tests and protect others from potential exposure.

“I also recommend using telemedicine, where you can see a doctor via phone or video, to get your questions answered from the comfort and safety of your own home without putting others or yourself at risk,” he said.

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Snack bars are not as healthy as you might think

Did you know that eating snack bars may not be good for your health? They are generally marketed as “granola,” “protein,” “energy,” or “nutrition” bars, but most of them are more like candy bars. The nonprofit [Cornucopia Institute](#) reports that snack bars are generally not as healthy as their manufacturers would like you to believe.

Except for the certified organic bars, most snack bars contain unfamiliar chemical ingredients. Beware of bars labeled “natural,” which means nothing. Any company can put a “natural” claim on a product

regardless of its ingredients. Natural bars can contain harmful chemicals. Many “natural” bars contain “soy protein isolate,” which should be avoided.

In addition, the “non-GMO” label is meaningless, unless accompanied by the USDA organic label.

The only regulated labels are “made with” organic ingredients and “USDA organic.” Bars labeled “USDA organic” have at least 95 percent of their ingredients, by weight, certified as organic. There are no toxic pesticides, insecticides,



herbicides or harmful chemicals involved in their manufacture.

They are always verified as non-GMO. You can be relatively sure that the ingredients are not dangerous.

Bars labeled “made with” organic ingredients have at least 70 percent of their ingredients, by weight, certified as organic. They are not as heavily regulated as “USDA organic.” They may have fewer health benefits than “USDA organic” bars and should be avoided in favor of USDA organic bars.

If you want to ensure you are

eating a healthy snack bar, buy USDA organic bars containing nuts, seeds and fruit as their primary ingredients. The Cornucopia Institute says “Simple Squares” have it all, seven whole organic ingredients in each bar. Avoid bars with added sweeteners, particularly sugar, and added flavors and colors, even “natural” flavors and colors.

Cornucopia Institute has a scorecard showing the relative nutritional value of different snack bars, which [you can find here](#).

All adults ages 18 to 79 should be screened for hepatitis C, new recommendation says

The US Preventive Services Task Force now recommends screening for hepatitis C infection in all adults ages 18 to 79 without known liver disease, regardless of their risk.

This updated recommendation, **published in the medical journal JAMA** on Monday, expands the task force's **previous 2013 recommendation**, which was to screen only adults born between 1945 and 1965 and others at high risk for infection.

"People with hepatitis C do not always feel sick and may not know they have it," Task Force chair Dr. Douglas K. Owens, an author of the recommendation and a general internist, **said in a news release** on Monday.

"Screening is key to finding this infection early, when it's easier to treat and cure, helping reduce illnesses and deaths," said Owens, who is also an investigator at the Center for Innovation to Implementation at the Veterans Affairs Palo Alto Health Care System.

The USPSTF commissioned a systematic review of current research and evidence on the hepatitis C virus, or HCV, in order to update its prior recommendation. Based on that review, the task force found that screening more adults and teens has "substantial net benefit"

since detecting infection early can lead to the early use of effective treatments and interventions.

"Although all adults aged 18 to 79 years should be screened, a number of risk factors increase risk. The most important risk factor for HCV infection is past or current injection drug use. In the US, recent increases in HCV incidence have predominantly been among young persons who inject drugs," the task force wrote in its new recommendation statement.

"The treatment of HCV continues to evolve, resulting in greater benefits and fewer harms than when the USPSTF last considered the evidence," the recommendation statement said. "As a result, the USPSTF concluded that broadening the age for HCV screening beyond its previous recommendation will identify infected patients at earlier stages of disease who could greatly benefit from effective treatment before developing complications."

The change comes at a critical time -- over the last decade, the most rapid increase in the incidence of acute hepatitis C cases has been in young adults ages 20 to 39 who have injected drugs, Dr. Camilla Graham, an infectious disease physician at



the Beth Israel Deaconess Medical Center and Harvard Medical School, and Dr. Stacey Trooskin, an infectious disease physician at Penn Medicine, wrote in an editorial that published alongside the recommendation statement in JAMA on Monday.

"It is time to revisit the effective but now outdated baby boomer screening recommendations, and the updated recommendations from the USPSTF are welcome," they wrote.

They also wrote how screening has been shown to be cost-effective when considering the efficacy of available treatments and decreases in drug prices. With the new recommendation, insurance companies will provide reimbursement for screening inline with the new recommendations.

In 2016, the World Health Organization set the goal of eliminating viral hepatitis B and C as a major public threat by 2030. Elimination in this case is defined as a 90% reduction in new chronic infections and 65% reduction in deaths compared with a scenario in which interventions would continue at the level they were in 2015.

"Meeting the WHO 2030 targets for reducing new HCV

infections and increasing treatment will be more likely to succeed if more primary care clinicians and addiction specialists join in the important efforts to screen, treat, and achieve virologic cure," Graham and Trooskin wrote.

The United States currently is not on track to achieve those WHO goals, Drs. Jennifer Price and Danielle Brandman, both of the University of California, San Francisco School of Medicine, wrote in a separate editorial published in JAMA Internal Medicine on Monday.

"One estimate is that at present rates of HCV screening, treatment, and new infections, 62% of people with HCV in the US will be aware of their infection by 2030 and 49% will have been cured," Price and Brandman wrote.

"Clearly, reducing incident infections will require programs to reduce transmission during intravenous drug use, such as needle-exchange or other programs," they wrote.

"Although the USPSTF HCV screening recommendation is a step forward for controlling HCV infection in the US, it will take a coordinated and funded effort to ensure that the anticipated benefits are realized."

Helping Seniors Manage Meds After Hospital Reduces Readmission: Study

Helping older people manage their prescribed medicines after they leave the hospital reduces their risk of readmission, researchers say.

Many older patients take multiple medicines and these often change after a hospital stay. This can cause misunderstandings that result in patients taking too much or too little of their medications, or not taking them at all, the authors of the new study noted.

This can lead to serious problems and readmission to the hospital, according to the research team from the University of Bradford, in the

United Kingdom.

"When you're in hospital, everything is done for you, so for older people, being sent home and suddenly having to look after yourself can be a real shock," said study leader Justine Tomlinson, a doctoral fellow in the School of Pharmacy and Medical Sciences. "We know patients need more tailored support during this critical time."

For the new study, Tomlinson and her colleagues analyzed 24 studies that included more than 17,500 hospitalized seniors. The researchers found that patients



were less likely to be readmitted if they had help with their medication for three months after leaving the hospital.

That assistance included working with patients to help them better manage their medications and following up with them by phone for at least 90 days, according to the study published recently in the journal *Age and Ageing*.

In another approach that reduced hospital readmissions, a health professional -- such as a pharmacist -- reviewed previous prescriptions from a patient's

doctor and medications prescribed at the hospital in order to identify any omissions or conflicts.

The patient or caregiver should also be included in the process, Tomlinson suggested.

"The medicine-related harm that older patients are exposed to on discharge is serious and avoidable, yet they often feel they have to accept these problems as a fact of life as they get older," she said in a university news release. "Our research shows that it doesn't have to be that way."

Heart Association Puts Halt To Bayer's Giant Displays Of Baby Aspirin

The large red-and-white bins at Walmart pharmacies across the country read, in bold all-caps type: "Approximately every 40 seconds an American will have a heart attack."

Inside the 3-foot-tall cartons, adorned with the American Heart Association and Bayer logos, were dozens of boxes of low-dose Bayer aspirin.

The implication was that everyone could reduce their heart attack risk by taking a "baby aspirin." But recent studies have found that's not the case.

In fact, the American Heart Association says that although aspirin can help people with previous heart attacks or strokes, its **risks generally outweigh the benefits** for others.

After Kaiser Health News inquired about the marketing bins, the heart association in late February said it is having Bayer, one of its major donors, pull them from Walmart — although the campaign was due to wrap up by the end of the month, anyway. But 10 days later, a reporter shopping at a Walmart in Florida found a bin still on display.

About a quarter of Walmart stores nationwide displayed the bins, the association said.

"This was a misstep," said Suzanne Grant, a spokesperson for the American Heart Association. "It was a human error on our end."

Aspirin helps keep the blood from clotting, so there is less



chance that blockages will form in key heart arteries. For years, it was generally recommended as an option for healthy individuals to prevent heart attacks. But it also can lead to stomach bleeding, a serious side effect, and a number of studies have raised questions about the safety of aspirin use for people without cardiovascular disease.

Last year, after three new studies were published on the issue, the American Heart Association joined other medical groups **advising against aspirin therapy** unless a doctor recommends it.

The U.S. Preventive Services Task Force, an expert panel that makes recommendations on

medical care, is reexamining its guidelines, which advise low-dose aspirin for people ages 50-59 who have a risk of cardiovascular disease and no history of bleeding problems. It also has noted that individuals ages 60-69 at risk of heart disease may want to consider the therapy, but it should be used selectively. Evidence for other age groups is inconclusive, the task force says.

Grant said the association approved the marketing bins without including "precise language" explaining that people need to talk to a doctor before taking aspirin regularly. That language is printed in smaller type on the Bayer baby aspirin packaging....**Read More**

Blood Drives — And Donors — Fall Off As Coronavirus Worries Grow

Mounting warnings that Americans should stay home and avoid crowds to stop the spread of a deadly new coronavirus are triggering an unexpected — and potentially ominous — downside: a drop in the nation's blood supply.

Dozens of blood drives have been canceled and regular donors are no-shows, industry officials said, especially in states like Washington and California, where the virus is spreading more broadly within communities and health officials are urging residents to avoid public gatherings to reduce risk.

The crisis that in the U.S. has sickened **more than 230 people** and left at least 12 dead poses a problem for blood industry officials worried not only about infection control, but also about a dip in donations. **Nearly 13 million** whole blood and red blood cells are collected each year in the U.S. and commonly used in transfusions for trauma, surgeries and illness.

"It's definitely a threat to the blood supply," said Dr. Louis Katz, who is leading the response to the outbreak for AABB, a nonprofit transfusion medicine association. "We'll

lose donors that are afraid to come out in public."

Katz and others are working to reassure people that it's safe to donate blood in the midst of the outbreak of COVID-19 infections and that there's little known risk of spreading the disease through blood transfusions.

As of Thursday afternoon, 17% of blood centers **tracked by America's Blood Centers** had a supply of one day or less. Most blood centers try to keep an inventory of three to five days of blood.

The problem is especially acute in Seattle, the epicenter of COVID-19 cases in the U.S. On Wednesday, local health officials issued the **first recommendations for so-called social-distancing strategies**, telling vulnerable people to avoid public gatherings and urging businesses to let employees work from home, if possible.

At Bloodworks Northwest, which collects and distributes blood to nearly 100 Northwestern hospitals, more than 200 donations were lost early in the week after six local



blood drives and more than a dozen individual appointments were canceled, officials said. The organization needs

about 1,000 donors a day to keep up with demand.

"We're a little concerned," said Dr. Kirsten Alcorn, medical director of blood services for the organization. "We do know groups are canceling and rescheduling for later dates."

Cancellations also are a growing concern at Vitalant, which operates 125 blood centers across the U.S., said Dr. Ralph Vassallo, chief medical and scientific officer. Vitalant collects blood in several of the nearly 20 states with known COVID-19 infections.

"California, Arizona and Washington state are the ones where we're seeing concern from blood drive sponsors," Vassallo said. "They've spoken with their risk-management people and they're asking to postpone until the risk of coronavirus wanes."

In San Bernardino, California, a blood drive that expected to draw 500 donors was unexpectedly shuttered, he said. "We've had the whole gamut from a large donation site to a

very small site who are considering cancellation," Vassallo said. "Frankly, we have people inquiring in areas that aren't affected yet."

Worried citizens have two key concerns about the blood supply, officials said: whether potential donors are at greater risk of contracting COVID-19 infections by taking part in blood drives or at donation centers; and whether donors infected with coronavirus risk contaminating the blood supply. Multiple experts interviewed said that, based on available evidence, the risk of spreading the novel virus through blood and blood components appears low. An early study of cases in China showed that about 15% of ill patients had genetic markers of the virus in their blood plasma or serum, according to a **Feb. 25 report** by the AABB's transfusion-transmitted diseases committee. But that's not the same as an infectious virus, said Katz. And respiratory viruses, in general — including two other dangerous coronaviruses, SARS and MERS — are not known to be transmitted by blood transfusions....**Read More**

Even a Little Activity Keeps Aging Brains From Shrinking, Study Shows

Take a walk, weed your garden, go for a swim or dance - it could keep your brain from shrinking as you age, a new study suggests.

Being physically active may keep your brain four years younger than the rest of you, which might help prevent or slow the progression of dementias like Alzheimer's disease, researchers say.

"We recently published a paper using information of both current and past physical activity and found they both are associated with lower risk of developing Alzheimer's disease," said lead researcher Dr. Yian Gu, an assistant professor of neurological sciences at Columbia University in New York City. "The current study is a step further to show that physical activity is also protective against brain volume loss."

Gu cautioned, however, that the new study doesn't prove that exercise preserves brain size, only that the two appear to be linked.

For the study, Gu and her colleagues used MRI scans to collect data on the brain size of more than 1,550 people, average age 75.

None had dementia, but nearly 300 had mildly impaired thinking and 28% had the APOE gene, which appears to increase the risk of Alzheimer's disease.

Participants reported varying levels of physical activity. Researchers found that those who were the most active had bigger brains than those who were inactive.

The most active logged either seven hours of low-intensity physical activity, four hours of moderate activity or two hours of high-intensity physical



activity a week. After taking into account age, sex, education, race/ethnicity and APOE gene status, the researchers found that

the average brain size of the most active was 883 cubic centimeters, compared to 871 for those who were inactive.

That difference of 12 cubic centimeters, or 1.4%, is equivalent to nearly four years of brain aging, Gu and her colleagues said.

A limitation of the study is that it relied on participants' ability to remember how much and how often they were active. Researchers said their reports could be inaccurate, skewing the results.

Nevertheless, another expert stressed that keeping active could only add benefits for seniors.

"It's plausible, and not unique

to this study, that physical exercise is good for your brain," said Dr. Marc Gordon, chief of neurology at Zucker Hillside Hospital in Glen Oaks, N.Y., who reviewed the findings.

Although it's not clear how physical activity benefits the brain, Gordon suspects that it might come from keeping blood vessels healthy and lowering blood pressure and diabetes risk. "There are a lot of factors that could play a role," he said.

"I encourage my patients to be physically active," Gordon added. "Keep socially active and keep mentally active."

The findings are scheduled to be presented at a meeting of the American Academy of Neurology, April 25 to May 1, in Toronto. Research presented at meetings is typically considered preliminary until published in a peer-reviewed journal.

Will nursing homes and assisted living facilities be able to keep the coronavirus from spreading to their residents?

Jordan Rau reports for [Kaiser Health News](#) that for quite some time nursing homes have not been following basic protocols that contain the spread of viruses and bacteria. The situation has only gotten worse since 2017. And, because assisted living facilities are not subject to government health inspection, we have no clue how well they do in containing the spread of viruses and bacteria.

Kaiser Health News found that more than six in ten nursing homes—9,372 nursing homes—have received citations from government inspectors for deficiencies in controlling infections. Those nursing homes with fewer staff had a greater likelihood of receiving a citation. It's another reason to [avoid chain nursing homes](#), which tend to have fewer staff.

When choosing a nursing home, bear in mind that the government's [star-rating system](#) tells you very little about the quality of a nursing home. Forty percent of five-star nursing homes have been cited for

infection-control deficiencies. Five people at Life Care Center of Kirkland, Washington, which has a five-star rating, have died of the coronavirus.

Facilities that have been cited for deficiencies often have workers who do not wash their hands each time they see a patient or do not wear masks or gloves when they are with contagious patients. These deficiencies can cause infections to spread.

Health inspectors treat these deficiencies as minor in almost all instances, so nursing-facilities have no incentive to change their practices. Only in 109 out of 13,000 citations were these deficiencies treated as serious threats to patients. Nursing homes with these deficiencies are generally not fined or penalized in terms of their star ratings. But, between the flu and MRSA or other antibiotic resistant bacteria, each year nursing homes have as many as 3.8 million infections which kill about 388,000 residents.

In some instances, staff who

are sick do not stay home and infect other staff and nursing home residents. And, when staff stay home, it can sometimes be difficult for nursing homes to find replacement staff. There is a shortage of health care workers across the US.

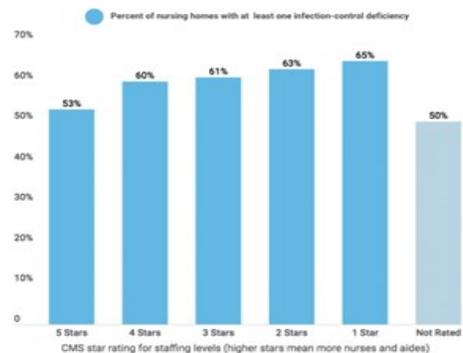
As of 2016, the Centers for Medicare and Medicaid Services requires an infection preventionist—an employee in charge of infection control—to

undertake training and work part-time or full-time in every nursing home. But, the Trump administration has proposed to do away with this on-site staff person. It wants the preventionist simply to spend "sufficient time" at a nursing home to oversee infection-control initiatives, whatever that means.

[Beware of chain nursing homes](#)
[Don't be misled by "five-star" nursing home ratings](#)

Better-Staffed Nursing Homes Have Fewer Infection-Control Lapses

More than 9,300 nursing homes, or 61%, were cited for one or more infection-control deficiencies since 2017. Violations were more common at nursing homes with fewer nurses and aides than at facilities with higher staffing levels, running from 53% of those awarded five stars for staffing to 65% of homes with the fewest staff.



Source: Kaiser Health News analysis of CMS Nursing Home Compare data, January 2017 to the present
Credit: Hannah Norman/Kaiser Health News