

## March 28, 2016 E-Newsletter

### House Republican Budget Resolution Turns to Seniors for Cuts



The House Budget Committee approved a fiscal 2017 budget resolution by a 20-16 vote on Wednesday. The budget provides \$1.07 trillion in discretionary spending for fiscal 2017 and proposes **deep cuts** in the years ahead to health care programs. Cuts include the elimination of “Obamacare” coverage for millions of people; transforming Medicaid to a state block grant; fast tracking cuts to Social Security; and transforming Medicare into a voucher-like system for future retirees.

It marks a victory for Budget Committee Chairman **Tom Price** (R-GA), as well as for Speaker **Paul Ryan** (R-WI), who has made returning to an orderly budget and appropriations process a top priority. However, *Politico* reports **“that victory may be fleeting.”**

Ultra-conservative Reps. **Dave Brat** (VA) and **Marlin Stutzman** (IN) were the only Republicans to vote against the budget, joining all Democrats. Many conservatives oppose it, saying it calls for too much spending, and some GOP lawmakers who supported the bill in committee have said they did so as a favor to leadership but would oppose it on the House floor.

In recent weeks, Rep. Price and other Republican leaders have tried to address the demand for further spending reductions by proposing **\$30 billion in cuts** to mandatory programs like Medicare and Social Security. Those reductions would theoretically offset increases in spending that were part of an agreement with President **Obama** last fall.

On Monday night, hours before the House Budget Committee unveiled a budget for 2017, members of the hard-line House Freedom Caucus had issued a statement saying they would oppose the plan because it adhered to that agreement.

In the end, the budget was approved after a marathon markup during which committee Democrats offered a total of 25 amendments, all of which were rejected. Some of these amendments included a plan to reduce prices of prescription drugs and expand earned Social Security benefits. The budget could reach the House floor next week if leadership can round up the votes, but doing so will be difficult.

### Many receiving Social Security will need to pay taxes

**About a third on Social Security will need to pay taxes and this is what you need to know**

*by Jim Borland, Assistant Deputy Commissioner, Communications*

Did you know that your Social Security benefits may be taxable? This includes your monthly retirement, survivor, and disability benefits.

About one-third of people receiving Social Security benefits must pay taxes on some of these benefits, depending on the amount of their taxable income. This may happen if you have other significant income in addition to your Social Security benefits.

To find out whether you must pay taxes on your benefits, you will need your *Social Security Benefit Statement* (Form SSA-1099/1042S). You should automatically receive it in the mail each January. It shows the total amount of benefits you received from Social Security in the previous year so you know how much Social Security income to report to the Internal Revenue Service on your tax return.

The benefit statement is not available for people who receive Supplemental Security Income (SSI), as SSI payments are not taxable.

If you didn't receive your *Benefit Statement* or misplaced it, you can get an instant replacement easily by using your secure *my Social Security* account... **[Read More](#)**



## UPDATE on GPO/WEP

On Tuesday, March 22, 2016,  
the House Ways & Means Committee held a Hearing on H. R. 711  
The Equal Treatment of Public Servants Act  
Click on the picture to view the complete Youtube video of the Hearing →



From Congressman Jim Langevin, H.R. 711 would replace the WEP for future retirees with an alternate formula based on a worker's total earnings, both covered and non-covered by Social Security. Under H.R. 711, the WEP would still apply to current retirees. In fact, the WEP would apply to a larger pool of beneficiaries than it currently does due to enhanced reporting requirements. Although these newly-affected beneficiaries would receive a rebate to partially offset the decrease, more Social Security recipients would likely see their benefits reduced under this proposal. The proposal would also reduce benefits for retirees who never received a separate pension. Current law actually excludes public employees who didn't receive a pension, while the new formula applies regardless of pension status, resulting in additional benefit reductions for retirees.

Congressman Langevin is a cosponsor of H.R. 973, the Social Security Fairness Act, which would repeal both the Social Security Windfall Elimination Provision (WEP) and the Government Offset Provision (GPO). We are also reviewing H.R. 711, the Equal Treatment of Public Servants Act, to get a better understanding of its potential impacts.

From Congressman David N. Cicilline,

"I'm a cosponsor of the Social Security Fairness Act (H.R. 973), which will fully repeal the Windfall Elimination Provision without placing additional burdens on Rhode Island seniors. I am concerned by provisions in the Equal Treatment of Public Servants Act (H.R. 711) that could impose unwarranted costs on Rhode Island seniors if they cannot document that they did not earn a pension. It's critical that we fully repeal the Windfall Elimination Provision without imposing additional challenges on Rhode Island seniors."



From the RI ARA & ARA New England Affiliated Chapters, we continue to monitor legislation on the GPO/WEP. Although we believe that H.R. 711 is a start to the overall conversion, H.R. 973 is the best outcome for our members.

That's why we submitted in unity a Resolution, **Elimination of the Unfair GPO and WEP Provisions of the Social Security Act** to the Alliance for Retired Americans Convention in Las Vegas. We have been and will continue to be committed to the complete repeal of this unjust denial of benefits that affects so many of our members.

### Why are we fighting for the REPEAL?

#### The Case For Repeal of the Punitive

#### Government Pension Offset & Windfall Elimination Provision

**SUMMARY:** Even though public employees and/or their spouse, have paid the required Social Security contributions, their Social Security benefits may be cut by thousands of dollars or entirely eliminated. It is not uncommon to be penalized by both the GPO and the WEP.

**Explanations of the GPO and the WEP, two Social Security Offsets Why the GPO and the WEP are unjust. The GPO/WEP are based on faulty assumptions. The offsets were based on a decision to treat pensions from certain public positions as if they were the same as Social Security benefits, despite the fact that these "non-covered" state and local positions have nothing to do with Social Security....[Read More](#)**

#### THE COST TO REPEAL GPO/WEP IS ONLY 2% OF OVERALL BENEFITS PAID TO RECIPIENTS ANNUALLY

The \$8-10 billion annual cost to repeal the GPO/WEP is minimal when compared to the total amount paid in Social Security retirement benefits annually. The annual estimated cost to repeal GPO/WEP amounts to less than 2% of the overall Social Security benefits paid to recipients each year. (Estimated Trust Fund Information at [www.ssa.gov](http://www.ssa.gov))

**The cost of not repealing these laws is to continue a gross governmental inequity!**

## New online Medicare tool shows disparity of care for chronic disease

Identifies disparities in outcomes, utilization, spending by race, ethnicity, geography



If you ever wondered how your county ranks in health care of chronic diseases among Medicare patients, you can now find the answers by using a new interactive map released online today by the Centers for Medicare & Medicaid Services Office of Minority Health (CMS OMH).

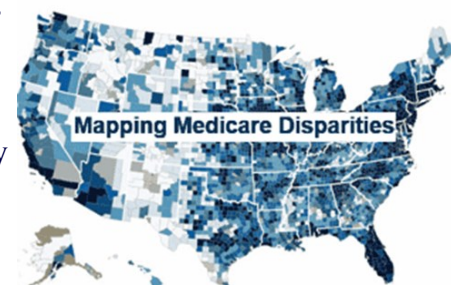
The purpose is to increase understanding of geographic disparities in chronic disease among Medicare beneficiaries.

The Mapping Medicare Disparities (MMD) Tool identifies disparities in health outcomes, utilization, and spending by race and ethnicity and geographic location. Understanding geographic differences in disparities is important to informing policy decisions and efficiently targeting populations and geographies for interventions.

“Our commitment to health equity begins with properly measuring the care people get and having an honest dialogue on how and where we need to improve,” said CMS Acting Administrator Andy Slavitt. “Today’s tool aims to make it harder for disparities to go unaddressed.”

Racial and ethnic minorities experience disproportionately high rates of chronic diseases, and are more likely to experience difficulty accessing high quality of care than other individuals. The identification of areas with large differences in the proportions of Medicare beneficiaries with chronic diseases is an important step for informing and planning health equity activities and initiatives. The Mapping Medicare Disparities Tool features:

- ◆ A dynamic interface with data on the prevalence of 18 chronic conditions, end stage renal disease, or a disability; Medicare spending, hospital and emergency department (ED) utilization, preventable hospitalizations, readmissions, and mortality rates.
- ◆ The ability to sort by state or county of residence, sex, age, dual-eligibility for Medicare and Medicaid, and race and ethnicity.
- ◆ Built-in benchmarking features to investigate disparities within counties and across racial and ethnic groups, and within racial and ethnic groups across counties.



“It’s not enough to improve average health care quality in the U.S.,” said CMS OMH Director Cara James. “As the CMS Equity Plan lays out, we must identify gaps in quality of care at all levels of the health care system to address disparities. We are excited to share this new tool, which allows us to pinpoint disparities in health care outcomes by population and condition.”

The MMD Tool was developed in collaboration with KPMG LLP and NORC at the University of Chicago as part of the [CMS Equity Plan for Improving Quality in Medicare](#). The plan provides a framework for advancing health equity by improving the quality of care provided to minority and other underserved Medicare beneficiaries. [Read MMD Tool](#)

## Coinsurance Trend Means Seniors Likely To Face Higher Out-Of-Pocket Drug Costs, Report Says

By Michelle Andrews

Medicare beneficiaries may get dinged with higher prescription drug bills this year because more than half of covered drugs in standalone plans require them to pay a percentage of the cost rather than a flat fee, a new [analysis](#) found.

Fifty-eight percent of covered drugs in Part D drug plans are subject to “coinsurance” in 2016 rather than flat copayments, the analysis by Avalere Health found. The percentage of drugs requiring coinsurance has climbed steadily, increasing from 35 percent in 2014 to 45 percent last year. That percentage is approaching two-thirds of all covered drugs.

For beneficiaries, drug plans’ increasing use of coinsurance may mean higher out-of-pocket costs, among other things. If a drug costs \$200, instead of making a flat \$20 copayment, they may owe 20 percent of the cost, or \$40.

[Read More](#)



## FDA Adds Boldest Warning to Most Widely Used Painkillers

By THE ASSOCIATED PRESS



Federal health regulators will add their strongest warning labels to the most widely prescribed painkillers, part of a multi-pronged government campaign to stem an epidemic of abuse and death tied to drugs like Vicodin and Percocet.

The Food and Drug Administration announced Tuesday plans to add a boxed warning — the most serious type — to all immediate-release opioid painkillers, including some 175 branded and generic drugs.

Those medications, which often combine oxycodone with lower-grade medications, are among the most commonly used drugs in the U.S. and account for 90 percent of all opioid painkillers prescribed. Roughly three years ago the FDA added similar warnings to long-acting opioid drugs like OxyContin, which slowly release their doses over 12 hours or more. Now both immediate and extended-release formulations will highlight the risks of addiction, abuse, overdose and death.

The long-awaited changes come as federal and state officials struggle to curb a wave of overdoses fueled by the overprescribing of medications and a steady supply of cheap heroin.

"We're at a time when the unfathomable tragedies resulting from addiction, overdose and death have become one of the most urgent and devastating public health crises facing our country," FDA Commissioner Dr. Robert Califf said on a call with reporters. "I can't stress enough how critical it is for prescribers to have the most current information."...[Read More](#)

## Medicare Proposes Expansion Of Counseling Program For People At Risk Of Diabetes

By Mary Agnes Carey

As the health law turned six Wednesday, federal officials proposed the expansion of a Medicare diabetes prevention program funded by the landmark measure.

The pilot program, developed and administered by the YMCA, helped Medicare enrollees at high risk of developing the disease improve their diets, increase their exercise and lose about 5 percent of their body weight.

Beneficiaries in the program, funded by an \$11.8 million grant provided by the health law, attended weekly meetings with a lifestyle coach to develop long-term changes to their diet, discussed ways to get more physical activity and made behavior changes that would help control their weight and decrease their risk of Type 2 diabetes. Participants could also attend monthly follow-up meetings to help keep their new habits in place.

Compared to other beneficiaries also at risk of developing diabetes, Medicare estimated savings of \$2,650 for each program enrollee over a 15-month period, more than enough to cover the cost of the program, according to the Department of Health and Human Services....[Read More](#)



The New England ARA state affiliates are actively pursuing these Petitions.

**Petition Subject: Observation Status: "Current Hospital Issues in the Medicare Program"**

ADD  
YOUR  
NAME

**Get The Message Out:  
SIGN THE PETITION!!!!**

**Petition Subject: House Concurrent Resolution 37 and Senate Concurrent Resolution 12 to get power doors installed in Post Offices and other federal buildings.**

ADD  
YOUR  
NAME

**Get The Message Out:  
SIGN THE PETITION!!!!**

**Petition Subject: Elimination of the Unfair GPO and WEP Provisions of the Social Security Act to make sure the Congress of the United States enacts legislation, HR.973 & S.1651**

ADD  
YOUR  
NAME

**Get The Message Out:  
SIGN THE PETITION!!!!**