NRLN Focus

NRLN NATIONAL RETIREE LEGISLATIVE NETWORK

Volume 16, Issue 1 Spring 2019

The NRLN Clarion Call…Answering Questions You Might Ask

By Bill Kadereit, NRLN President

For this Clarion Call column, I have posed a few questions you might ask to the NRLN. I have provided answers that I hope will help you better understand what the NRLN is doing to represent the interest of retirees and future retirees.

What does the NRLN consider the greatest risks to retirement security?
I believe the top three risks to a secure retirement, not only for you, but also for your children and grandchildren, involve Social Security, traditional Medicare and Medicare Advantage.

By 2034, Social Security's current $3 trillion in asset reserves will be completely depleted. While the program will not go bankrupt due to payroll taxes, projections are that benefits would be cut between one-fourth to one-third. After 2028, traditional Medicare Part A (hospital insurance) will only have enough funds to pay 87% of costs. Centers for Medicare and Medicaid is using taxpayer dollars to subsidize private insurance companies for Medicare Advantage (MA) plans to move toward privatization of Medicare and more expense for retirees.

What is the NRLN doing to address those risks to retirement security?
It has been 35 years (1983) since payroll tax rates were raised to pay for the larger numbers of beneficiaries on Social Security and Medicare. Senators and Representatives of both parties have "kicked the can down the road" by failing to take the action necessary to prevent a looming economic and health coverage catastrophe for today's seniors and for our children and grandchildren.

The NRLN "Grand Bargain" proposal calls for closing the combined annual Social Security and Medicare 75-year funding gap of 2.39% (cited in the June 2018 trustees report) or taxable payroll of $28 billion by:

- Raising or eliminating the Social Security taxable earnings limit ($132,900 for 2019) and / or
- Raising the payroll tax rate by 2.39% of taxable payroll and / or
- Cutting annual "wrong and improper" federal payments of $141 billion and /or
- Cutting wherever possible the annual $300 billion in unauthorized appropriations

Medicare Advantage taking us toward privatization is a different story. According to the Congressional Budget Offices' October 5, 2017 analysis of privatization, it would decrease federal government payments to Medicare by 8% but would increase the cost of Medicare to participants by 15%. This is a scheme to cost shift to retirees and will not fix the real problem of high cost drugs and other healthcare products and services.

Our highest priority is to protect the 19 million MA plan enrollees (33% of Medicare) from having the rug pulled out from under them in a privatized market. If the House Budget Committee and supporters of privatization win, MA plans would be set adrift without subsidy guarantees in new regional markets by 2022-2024. NRLN advocates that current plan participants should be "grandfathered" from future reductions in benefits and guarantee the protection of baked in subsidies and any future MA benefits and subsidies.

Since the NRLN does not make campaign contributions to Representatives and Senators does it have the access on Capitol Hill to effectively represent the interests of retirees and future retirees?
From the time the NRLN was formed in 2002 we have had a presence on Capitol Hill with an Executive Director who is supported by the NRLN Board and our Grassroots Network. Today, it just takes a phone call from Alyson Parker, our Executive Director, to gain a meeting with a Legislative Director or a Counsel

(Continued on page 2)

(Continued from page 1) **The NRLN Clarion Call … Answering Questions You Might Ask**

to a Congressional Committee.

The staff members we need to meet with know that our name has the backing of their constituents who regularly email letters, make phone calls and/or send Tweets to their offices in response to NRLN Action Alerts. A significant number of Representatives, Senators and/or their staffs have experienced face-to-face meetings with members of our retiree associations and chapters during our twice a year fly-ins to Washington, DC. A half dozen times each year, I go to Washington, DC from my home in Texas when important meetings are scheduled on the Hill or with a federal agency. The NRLN is also known for being a leader in pulling together coalitions of other advocacy organizations to present a united front with the situation merits.

The House and Senate offices know that we are watching for the introduction of every retirement-related bill because of our Action Alerts. Also, they regularly receive letters from me expressing appreciation for introducing a bill or the committee chairs and ranking members are asked to bring a bill up for a vote. Our grassroots leaders often have letters to the editor published in a state or local newspaper that gains the attention of a lawmaker.

Does the NRLN have adequate financial support to be effective?
In the early days of the NRLN all our annual operating budget was predominately dues paid by retiree associations based on the number of their dues paying members. As some retiree associations lost memberships or dissolved, in 2013 we began to organize NRLN Chapters from retiree associations that had dissolved and groups of retirees from other companies.

A primary difference between a retiree association and a chapter is that associations are certified by the IRS and chapters come together under the NRLN's charter. Chapter members do not pay dues to the chapter. For every chapter member who makes a contribution to the NRLN, 20% of that contribution is credited to the chapter's treasury. In 2018, nearly 80% of the NRLN's budget came from individual contributions by members of retiree associations, chapters or "at-large" individuals who see the value of the NRLN providing a voice for them in Washington, DC.

Tax deductible donations to the American Retirees Education Foundation, formed in 2014 as the research and education partner of the NRLN, has provided the funding for the whitepapers, proposed legislative amendments and briefing to inform members of Congress and the public about important retirement issues. A number of individuals make contributions to the NRLN and donations to the AREF.

We need to increase the number of NRLN retiree associations, chapters and individual members, not only to increase our funding, but to also have more grassroots advocates engaged. You will read in the article about our February fly-in to Washington, DC that the NRLN Board approved a proposal to place an emphasis on membership development.

If you know of a retiree association, a retiree club or a retirement community that could be a prospect to be recruited to affiliate with the NRLN, please send an email to contact@nrln.org or call toll free: 866-360-7197.

Five Retirement Issues Advocated on Capitol Hill

Unusually mild temperatures for the last week of February 2019 in Washington, DC greeted attendees at the National Retiree Legislative Network Annual Leadership Conference. Attendees, prepared to advocate five retirement issues, spread out across Capitol Hill on Feb. 26 and 27 for 70 appointments with Representatives, Senators and/or members of their staffs to advocate retirement issues. (See fly-in photos at: www.instagram.com/photosnrlnorg and click on photo to read caption.)

NRLN Board of Directors Meeting
The opening morning of the conference on Monday, February 25, was devoted to NRLN Board of Directors business with a review of 2018 financials and approval of the 2019 operating budget. The Board elected two new Directors, Janet Seefried and Ed Beltram. (See separated article.)

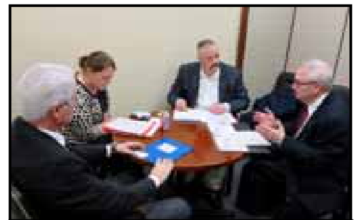
The Board adopted NRLN President Bill Kadereit's proposal to expand NRLN membership recruiting. Dana Oliver, Director, National Chrysler Retirement Organization (NCRO) and NRLN Vice President – Regulatory Affairs, agreed to take on the additional duties of Membership Development. Membership

(Continued on page 3)

(Continued from page 2) **Five Retirement Issues Advocated on Capitol Hill**

recruiting teams identified by Kadereit are:

- **Retiree and Professional Associations Team:** Kadereit; Martha Deahl, NRLN Vice President – Desert Southwest Region and President, NRLN Arizona Chapter; Jay Kuhnie, NRLN Director and President, NCRO; Chris Dyrda, Director, NCRO; Art Roberts, President, Eastman Kodak Retirees Association (EKRA), and Vern Larson, President, NRLN Avaya Retirees Chapter.
- **Retirees and Professional Chapters Team:** Vern Larson; Jim Odle, President, NRLN DuPont Retirees Chapter, and Dan Pitts, President, NRLN TVA Retirees Chapter.
- **Retirement Communities and Chapter Team:** Kadereit, Deahl, Beltram, John deCastro, Lucent Retirees Organization (LRO), California and Florida teams.
- **Grassroots Team:** Bob Martina, LRO and NRLN Vice President – Grassroots; Regional Vice Presidents, State Leaders and Congressional District Leaders.
- **At-Large Team:** Kadereit, Beltram, and Joe Sciulli, LRO and NRLN Webmaster.
- **Internal Associations / Chapters Team:** Kadereit, Beltram and Martina



Joe Dombrowski (right), President, Lucent Retirees Organization and Jay Kuhnie (left), President, National Chrysler Retirement Organization, advocate pension issues with legal counsels Drew Crouch and Kendra Kosko Isaacson for Senate Finance Committee and Senate Health, Education, Labor and Pensions Committee

Organizations at Advocacy Briefing Session

The Monday afternoon briefing session on advocacy issues was opened by Kadereit asking the attendees to introduce themselves and identify their affiliation. Organizations represented were Detroit Edison Alliance of Retirees, Eastman Kodak Retirees Association, Engineering Retirees Society (Boeing), Lucent Retirees Organization, National Chrysler Retirement Organization, U S West Retirees Association, NRLN DuPont Retirees Chapter, NRLN General Motors Chapter, NRLN Desert Southwest Region, NRLN Pacific / Mountain West Region.

NRLN Executive Director's Presentation

Wendal Primus (right), Senior Health Policy Adviser for House Speaker Nancy Pelosi, reviews charts during presentation by NRLN President Bill Kadereit and NRLN Executive Director Alyson Parker

Alyson Parker, NRLN Executive Director, gave her perspectives on retirement-related Congressional issues. She noted that committees in the House and Senate had held hearings on the high prices of prescription drugs. The Joint Select Committee on Solvency of Multiemployer Pension Plans did not present a solution for the underfunding of multiemployer pension plans by the end of November 2018 deadline so discussions are continuing to take place on what to do.

She noted that work on legislation to increase retirement savings by Americans is continuing. The NRLN's Universal Retirement Account proposal introduced at the 2018 fall fly-in has been presented to key committees for consideration to include in the legislation.

Advocating Lower Prescription Drug Prices

Beltram presented key points to advocate in Capitol Hill appointments based on his whitepaper, Congress and President Must Act to Reduce Price of Prescription Drugs: Talk Is Cheap – Drugs Are Not. The NRLN supports passage of legislation allowing importation of safe and less expensive drugs from Canada. Congress should remove the prohibition on Medicare competitive bidding, replacing it with a competitive bidding mandate to be applied wherever two or more FDA approved generic drugs, or two or more brand-name drugs, or a generic and a branded (not patent protected) treat the same condition. And, end pay-for-delay and other brand-name drug makers' tactics that obstruct generic drugs from coming to market.

To read the prescription drugs whitepaper go to www.nrln.org, click on the "Legislative Agenda" tab, select NRLN whitepapers and scroll down to the Healthcare section.

Attendees were asked to urge Representatives and Senators to pass the following prescription drug bills in 2019:

- **H.R. 275 and S. 62, Empowering Medicare Seniors to Negotiate Drug Prices Act**, and **H.R. 448** and **S.99, Medicare Drug Price Negotiation Act**. Passage of either Act, would direct the Secretary of Health and Human Services (HHS) to negotiate lower prices for prescription drugs under Medicare Part D.
- **H.R. 478 and S. 61, Safe and Affordable Drugs from Canada Act**, would allow the personal importation of safe and lower priced drugs from approved pharmacies in Canada.

(Continued on page 4)

(Continued from page 3) ***Five Retirement Issues Advocated on Capitol Hill***

- **S. 64, Preserve Access to Affordable Generics and Biosimilars Act**, would prohibit the practice of pay-for-delay by brand name drug companies who make deals to delay or keep less expensive generic drugs off the market. In addition, it would prohibit biological product manufacturers from compensating biosimilar and interchangeable companies to delay the entry of biosimilar biological products and interchangeable biological products.

If you have not responded to the NRLN Action Alert urging passage of these bills, email the NRLN's sample letter to your members of Congress by going to *www.nrln.org* and click on the red flashing Respond to Action Alert icon.

Taxpayer Subsidies to Medicare Advantage Plans

Kadereit made a presentation based on his research and writing of the NRLN whitepaper Medicare Advantage Plans – Privatization's Trojan Horse. He explained that CMS is using taxpayer subsidies to private insurance companies for Medicare Advantage (MA) plans serving as a Trojan horse to move toward the privatization of Medicare.


Arizona Senator Martha McSally (right) with Martha Deahl, NRLN Vice President – Desert Southwest Region and President, and NRLN Arizona Chapter

An October 2017 CBO report sent to the House Budget Committee reported that the projected results for Medicare privatization (using the MA plan model) would lower net federal payments to all Medicare beneficiaries by 8 percent in 2024. However, total payments by all Medicare affected beneficiaries would rise by 18 percent. This is cost shifting, not cost improvement. He said attendees should emphasize during their Capitol Hill appointments that NRLN opposes the use of MA plans to privatize Medicare. The NRLN proposes:

- Grandfather and protect the 19 million seniors (33%), who have purchased MA plans in good faith, from future reductions in benefits and guarantee the protection of baked in subsidies and any future MA benefits and subsidies.
- Direct the GAO, CBO and the HHS Inspector Generals to investigate and report on Medicare C, MA and Traditional Medicare Parts A and Part B independent financials and assess and publicly disclose the cost effectiveness of Medicare Part C, with and without taxpayer subsidies.
- Reduce the $141 billion annual wrong and improper payments generated by all federal agencies (particularly the $90 billion attributable to Medicare and Medicaid), sequestering savings and using them to eliminate the 75-year deficits of Medicare Part A and Part B, then Part D. Consider all options including payroll tax increases.
- Congress must clearly define in rules, regulations and statutes that declare that CMS may not authorize Medicare benefits afforded to MA insurers that are not also included in Parts A, B and D of Traditional Medicare (FFS).

To read the Medicare Advantage whitepaper go to *www.nrln.org*, click on the "Legislative Agenda" tab, select NRLN whitepapers and scroll down to the Healthcare section.

Protecting Retirees in Pension Plan "De-risking

Kadereit also made a presentation on another lobbying issue, pension plan "de-risking". He cited a recent MetLife Insurance Company survey of pension plan sponsors that revealed 76% of defined benefit pension plan sponsors have "de-risking" goals to completely eliminate their pension plans at some point in the future through lump sum offers and/or conversions to annuities. When "de-risking" occurs with the purchase of an insurance annuity pension plan participants lose the protection of PBGC and ERISA. The NRLN is advocating:

- **Congress should require** that following a transfer of assets to settle liabilities for a subgroup of participants – whether by group annuity purchases or by lump sum buy-outs – <u>the on-going plan must be as well funded as it was prior to a transaction</u>.
- **If the entire plan is not terminated** pursuant to ERISA Section 4041, after review and approval by PBGC, the plan has a fiduciary duty to continue to hold the annuity contracts as a plan asset, so that retirees do


Dana Oliver (left), NRLN Vice President and Director, National Chrysler Retirement Organization, makes a comment to Michigan Senator Gary Peters about an NRLN retirement issues

(Continued on page 5)

(Continued from page 4) **Five Retirement Issues Advocated on Capitol Hill**

not lose PBGC or other protections. The IRS should provide guidance that the distribution of a group annuity contract is a form of benefit distribution requiring consent.

Colin Goldfinch, Senior Health Policy Adviser to Washington Senator Patty Murray, Ranking Member, Health, Education, Labor and Pensions Committee, hears presentations from (l-r) Judy Stenberg, NRLN VP - Pacific / Mountain West Region, NRLN President Bill Kadereit and Joe Dombrowski, President, Lucent Retirees Organization

Alternatively, the plan sponsor can choose to permanently transfer its liability for individual retirees to a qualified annuity provider, as if the plan were terminated, but only if it complies with both of the following two safe harbor requirements:

- **The plan seeks and obtains the affirmative consent of individual retirees.** Retirees who do not consent must have the option to remain participants.
- **The plan must purchase reinsurance from a separate and highly-rated insurer to guarantee the payment of benefits, in case of default.** This should protect individual participants from the permanent loss of benefits that occurs to the extent the total value of their annuity exceeds state insurance guarantee funds, which can fall far short of PBGC maximum coverage levels and vary widely from state to state.

Protecting from Pension Recoupment

Jay Kuhnie, President, NCOR, had dealings with Chrysler retirees who were notified last year that an error had been discovered in their pension payment calculation and were forced to begin paying back thousands of dollars and suffered a large cut in benefits as well. He presented the NRLN's position to advocate on Capitol Hill for ending retirees being responsible for refunding pension plan overpayments.

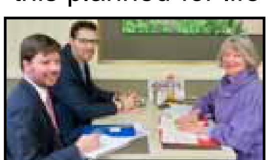
He explained the NRLN proposes to indemnify individual plan participants. While plan sponsors or Third-Party Administrators (TPAs) could purchase an Errors and Omissions Insurance a more efficient remedy would be to instruct actuaries to account for recoupment as a plan funding risk that would require very small adjustments to plan actuarial calculations.

Use Surplus Pension Assets for Retiree Benefits

Joe Dombrowski, NRLN Director and President, Lucent Retirees Organization, presented the key points to advocate for an amendment to the Employee Retirement Income Security Act (ERISA) and Internal Revenue Code (IRC) Section 420 Rule to allow employers with generously overfunded pension plans to use a portion of the plan's surplus assets to fund retiree benefits, such as, health care and life insurance.

The NRLN supports an amendment that would amend ERISA and IRC Section 420 to reduce the Section 420 surplus transfer limits from 120% and 125% to a lower level of 110%, subject to the requirement that annual plan surplus transfers may not exceed the combined annual life insurance and health insurance benefits or 1.75% of plan assets whichever is lower. Proposed legislative language for the amendment was included in the folders as well as endorsement letters from the NRLN and CWA (Communications Workers of America).

Dombrowski cited an example of Nokia (who acquired the former Lucent Technologies and its pension plan). Over 11,000 Lucent retirees who are NRLN member retirees and / or surviving spouses face the loss of their life insurance. Their insurance trust has obligations of $1 billion and assets of $200 million. The annual payment obligation is about $50 million. In four years, many of these beneficiaries could lose this planned-for life insurance benefit and many surviving spouses would face economic hardship.



Cindy Hadsell, Legislative Director for U S West Retirees Association, Danny Gomez (next to wall) and Mike Sinacore, staff members, for Nebraska Senator Deb Fischer, pause from their discussion on NRLN retirement issues

NRLN Outreach with Facebook and Instagram

With the presentations on the Capitol Hill issues completed, Ed Beltram, NRLN Vice President – Communications provided information on the NRLN's outreach to potential new members through Facebook postings / ads on www.facebook.com/NRLN1 and photos on www.instagram.com/photosnrlnorg. He referenced an NRLN Facebook page "reach ad" posted on January 29, 2019 that had a photo of prescription drugs and a headline with a link to the NRLN President's Forum message on the NRLN website titled, Not a Surprise, Prices Surge on Older Drugs. In less than a week the ad reached 259,161 individuals age 50 and older. The ad triggered an increase in visitors to the NRLN website by about 40,000.

(Continued on page 6)

(Continued from page 5) **Five Retirement Issues Advocated on Capitol Hill**

He showed slides of some of the photos on the NRLN's Instagram page including the September 2018 fall fly-in to Washington, DC, the NRLN's participation in an expo at the Sun City, AZ retirement community in October 2018 and the NRLN President's speech at The Villages (FL) Democrat Club meeting in January 2019. Twenty-two photos from this February 2019 fly-in have been posted on www.instagram.com/photosnrlnorg. You do not need an Instagram account to view the photos.

NRLN Grassroots and Congress

Bob Martina, NRLN Vice President – Grassroots, shared information with attendees on a number of subjects, including a map of the USA showing NRLN regions; list of NRLN Regional Directors; 2019 Congressional Calendar; Key Senate and House Committees that handle retirement issues, and a complex flow chart depicting the legislative process.

NRLN regions and the regional vice presidents are:

Regional Vice Presidents: (contact information above unless otherwise noted)

New England (CT, MA, ME, NH, RI, VT) – Paul Bayliss, Dover, NH, Lucent retiree.
Northeast (NJ, NY) – Kathy Maher, Ocean, NJ, AT&T retiree.
Mid-Atlantic (DE, MD, PA, VA, WV, DC) – Jane Banfield, Williamsburg, VA, AT&T retiree.
Southeast (AL, GA, MS, NC, SC, TN) – Chris Dyrda, Atlanta, GA, Chrysler retiree.
Great Lakes (IL, IN, KY, MI, OH, WI) – appointment pending
Southwest (AR, KS, LA, MO, OK, TX) – Bob Martina, Shreveport, LA, Lucent retiree.
Midwest (IA, MN, NE, ND, SD) – Cindy Hadsell, Omaha, NE, NWB / US West / Qwest retiree.
Rocky Mountains (CO, WY) – appointment pending
Desert Southwest (AZ, NM, NV) – Martha Deahl, Wittmann, AZ, US West / Qwest / CenturyLink retiree.
Pacific / Mountain West (AK, HI OR, WA, UT, ID, MT, North Mariana Islands) – Judy Stenberg, Bellevue, WA, US West / Qwest / CenturyLink retiree.
Golden State (CA) – Hector Saenz, Lancaster, CA, IBM retiree.
Sunshine State (FL, Puerto Rico) – Terry Yates, Cocoa, FL, AT&T retiree

PBGC Director Was After Dinner Speaker

Monday afternoon's briefing session was followed by a reception and dinner. Tom Reeder, Director, Pension Benefit Guaranty Corporation, and two PBGC staff members, Michael Rae and Amy Viener, visited with attendees during the reception. Following dinner, Director Reeder spoke about PBGC issues.

Single-Employer Pension Protection

He said the PBGC's Single-Employer Program had assets of around $109.9 billion and liabilities of $107.5 billion. In fiscal year 2018, the agency paid $5.8 billion in benefits to more than 861,000 retirees, about the same as FY 2017. During the year, the agency became responsible for 58 single-employer plans that terminated without enough money to provide all promised benefits. These plans cover 28,000 current and future retirees.

Director Reeder noted the PBGC is taking steps to assume responsibility for Sears' two defined benefit pension plans, which cover about 90,000 people. Sears filed for Chapter 11 bankruptcy on October 15, 2018. PBGC is stepping in to become responsible for the company's two pension plans because it is clear that Sears' continuation of the plans is no longer possible. The PBGC estimates they are underfunded by $1.4 billion leaving them 64 percent funded. Sears represents the second largest pension plan taken over by the PBGC.

Multiemployer Pension Plans Heading to Insolvency

The Multiemployer Program has liabilities of around $56.2 billion and assets of only about $2.3 billion. During FY 2018, the agency provided $153 million in financial assistance to 81 insolvent multiemployer plans, up from the previous year's payments of $141 million to 72 plans. In the coming years, the demand for financial assistance from PBGC will increase rapidly as more and larger multiemployer plans run out of money and need help to provide benefits at the guarantee levels set by law.

Director Reeder noted, as did the NRLN Executive Director in her afternoon remarks, that Congress' Joint Select Committee on Solvency of Multiemployer Pension Plans failed to come up with a solution for the underfunding of multiemployer pension plans by the end of November 2018 deadline. He said discussions are continuing and he hoped that Representatives and Senators would not begin eyeing the assets in the Single-Employer program to address the insolvency of the multiemployer pension plans.

(Continued on page 7)

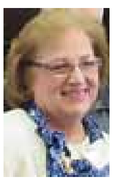
(Continued from page 6) ## *Five Retirement Issues Advocated on Capitol Hill*

NRLN Folders on Capitol Hill

Alyson Parker, NRLN Executive Director, had assembled 150 NRLN folders for the 25 attendees to take to Capitol Hill appointments containing the five issues that were explained on Monday, pass bill to reduce prescription drug prices; oppose use of Medicare Advantage Plans to privatize Medicare; protect retirees in pension de-risking actions; indemnify retirees from pension recoupment, and amend Section 420 transfer rules so generously funded pension plans can use assets for retiree benefits. Practically all of the folders ended up in the hands of Representatives, Senators and/or members of their staffs during the 70 appointments on Capitol Hill. In addition, a number of the folders were dropped off at offices for staff members who could not be schedule for meetings.

Seefried and Beltram Elected to NRLN Board

The NRLN Board of Directors elected two new members during their meeting on February 25, 2019 at the NRLN Annual Leadership Conference in Washington, DC.



Janet Seefried, President, Detroit Edison Alliance of Retirees, is the Principal Consultant of Seefried & Associates, a Performance Management consulting firm specializing in the design of corporate strategy implementation tools and processes, decision support processes and project management.

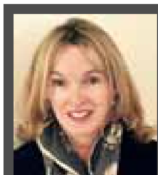
Prior to establishing her own consulting practice, Seefried was Director of Cost Management at DTE Energy in Detroit.

Seefried, who lives in Warren, MI, holds an M.B.A with a concentration in finance and economics from the University of Detroit. She received her B.S. in natural science and nutrition from Marygrove College. In 2010, she completed a State Bar of Michigan Administrative Office program qualifying her as a General/Civil case mediator and Arbitrator for energy related businesses.

Ed Beltram has served as NRLN Vice President - Communications since 2008. He retired from Lucent Technologies (now Nokia) in 2001 with 31 years of service. For 28 years, he was the communications and human resources manager at the company's telecom equipment manufacturing plant in Oklahoma City. The last three years were in Denver where he had communications responsibility for the company's sales teams in the western half of the country.

Prior to his career with Lucent, Beltram, who lives in Woodland Park, CO, served as a metropolitan newspaper reporter and a public information officer for a state of Oklahoma education department.

He holds a B.S. degree in journalism from the University of Oklahoma and a Masters in mass communications from Oklahoma State University.



A View From Washington

by Alyson Parker , NRLN Executive Director

I decided to follow the lead of NRLN President Bill Kadereit and also write my column in a Q&A format about current issues in Washington, DC. If you have bee following news reports out of Congress and the White House, you may have these questions.

Has President Trump broken his promise with his proposed budget that he wouldn't touch Medicare?

President Trump's March 11 budget proposal calls on Congress to cut billions from Medicare over 10 years. While a number of news media reports cited cuts of $845 billon, some analysts say the cuts are in the $500 billion range.

The White House contends that the President is not breaking his promise because most of the proposed Medicare cuts do not directly affect seniors. Analysis by the Committee for a Responsible Federal Budget (CRFB) found that about 85 percent of the cuts come from reductions in Medicare's payments to hospitals and doctors.

What makes up other proposed savings to reduce the cost of Medicare?

The President is counting on Congress to pass prescription drug bills to achieve savings. He also is focused on reducing subsidies to health insurance companies for Medicare Advantage plans and reducing other improper

(Continued on page 8)

National Retiree Legislative Network, Inc.
601 Pennsylvania Avenue N.W.
Suite 900, South Building
Washington, DC 20004-2601

NON-PROFIT ORG.
U.S. POSTAGE
PAID
BRIGHTON, CO
PERMIT NO. 51

(Continued from page 7) **A View From Washington**

payments to healthcare providers.

The NRLN has lobbied Congress to pass existing bills to reduce the cost of prescription drugs by allowing Medicare to do competitive bidding, import safe, lower priced drugs from Canada and ban brand-name drug companies from using pay-for-delay and other tactics to delay or keep more affordable generic drugs off the U.S. market.

The NRLN has pointed out to the Administration and Congress that it is not right to subsidize private insurance companies for Medicare Advantage plans that make it possible to offer benefits to just 33% of participants that are not also made available to traditional Medicare beneficiaries who represent 67% of participants. We have also cited that the Centers for Medicare and Medicaid needs to significantly reduce the $90 billion in annual wrong and improper payments attributable to Medicare and Medicaid. Savings generated should be sequestered and used to eliminate the 75-year deficits of Medicare Part A and Part B.

How serious are members of Congress about enacting "Medicare for All"?
U.S. Senators Bernie Sanders (VT). Kristen Gillibrand (NY), Elizabeth Warren (MA), Kamala Harris (CA), Cory Booker, (NJ) and Amy Klobuchar, who have announced as candidates for president in 2020, have staked out their support for expanding Medicare to cover Americans of all ages. While all say they want to implement some form of "Medicare for All" or "universal health care," there are differences in the details.

"Medicare for All" goes beyond the Democrats running for president. On February 28, Representatives Pramila Jayapal (WA-07) and Debbie Dingell (MI-12) introduced the Medicare For All Act of 2019 with over 100 co-sponsors in the House.

The price tag that some have recently attached to "Medicare for All" is roughly $30 trillion over ten years. I don't believe "Medicare for All" has a chance of passing in the current Congress. What is not certain is whether "Medicare for All" would require government to run all hospitals and put doctors on federal or state payrolls, etc. as is true in some countries, which no doubt would add trillions more dollars to our taxes.

NRLN MEMBERSHIP CONTRIBUTION ***FOCUS***

The NRLN is a nonprofit, tax-exempt organization. Contributions are not tax deductible.

NAME:_______________________________________AGE:___UNDER 55; ___55-64; ___65 OR OVER

ADDRESS:______________________________CITY:____________STATE:__ZIP:_____ZIP+4:_____

PHONE:_________________________E-MAIL ADDRESS (IF AVAILABLE):_________________________

I get my retirement benefits from ____(name of company)

Mail this form with your check or money order (no cash please) for $25, $50, $75 or more (any amount is appreciated) ***payable to: NRLN, Inc., PO Box 69051, Baltimore, MD 21264-9051.*** *Or, make a contribution with your credit card on the NRLN website at www.nrln.org. Click on the red flashing "**Contribute to the NRLN**" icon and use the credit card form.*