

FRIDAY ALERT



Alliance for Retired Americans

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October 16, 2009

As Insurance Industry Continues Its Campaign of Lies...

Obama administration officials and Congressional Democrats fired back on Monday at a misleading insurance industry report that said premiums would climb sharply with the passage of comprehensive health legislation. The report, by PriceWaterhouseCoopers, was attacked on several fronts. White House officials said the industry had ignored features of the bill that would lower costs for consumers, like subsidies for people who could not afford insurance. **Nancy-Ann DeParle**, director of the White House Office of Health Reform, said she was surprised by the report because she met last week with **Karen Ignagni**, president of America's Health Insurance Plans (AHIP), which commissioned the report, and they vowed to work together.

PriceWaterhouseCoopers acknowledged that numbers in the report could be misconstrued.

"America's Health Insurance Plans engaged PricewaterhouseCoopers to prepare a report that focused on four components of the Senate Finance Committee proposal," the company said in a statement. "As the report itself acknowledges, other provisions that are part of health reform proposals were not included in the PwC analysis." For example, Finance Committee aides said, the study assumes that a proposed 40% fee on insurers that offer high-cost insurance, and more than \$100 billion in taxes on the health care industry, will be passed directly onto consumers without forcing any kind of behavioral changes by individuals or companies. In essence, the study looked at the worst-case scenario and failed to consider mitigating forces such as tax credits to purchase insurance, Democrats said. "The misleading and harmful claims made by the profit-driven insurance companies are politicking for corporate gain at its worst," Sen. **John Rockefeller** (D-WV) said in a statement. "Their recent statements only further highlight that our focus here in Congress must be on the inclusion of a public health insurance option in the marketplace to protect families and put more money back in their wallets by creating greater competition and driving down costs."

...Alliance Members and Their Allies Strike Back

"The AHIP report is yet another example of the insurance industry's scare tactics campaign against seniors," said **Barbara J. Easterling**, President of the Alliance. "The insurance industry wants to preserve its large profit margins, so savvy seniors need to do their homework, separate fact from fiction, and educate their neighbors." New Mexico Alliance for Retired Americans members and their allies fought back on Wednesday in Albuquerque by protesting in front of Humana, calling on Humana and the insurance industry to stop their audacious attempts at scaring seniors about health insurance reform. Humana was recently sanctioned by a federal agency for mailing seniors false information about health insurance reform, and the protest came on the day that AHIP launched a multimillion-dollar ad campaign targeting seniors. In West Palm Beach on Thursday, Alliance members joined "Floridians for Health Care," the national "Mobilization for Health Care for All" and "Health Care - NOW!" in staging a sit-in demonstration at the Humana Corporate

Offices. They demanded that Humana stop its abuse and immediately approve all doctor-requested care for patients with life threatening conditions.

Alliance Lauds Obama Support for \$250 Payment to Seniors

On Wednesday, White House officials announced support for a one-time \$250 payment to Social Security recipients and other retirees in 2010. This is in lieu of a cost of living allowance (COLA) that would have been \$0. The payment would be modeled on the stimulus payment earlier this year: it is a one time payment, and the money would come from general revenues, not the Social Security Trust Fund, so there would not be any solvency issues. There is no timeline yet, but the payment is expected to be made early in the year. “Retirees are grateful for President **Obama’s** call for an extension of the \$250 payment to help those who are struggling in this current recession,” said **Edward Coyle**, Executive Director of the Alliance. “This generous act of compassion will help 49 million Social Security recipients, many of whom have seen their retirement savings and home values badly shaken by this economic crisis.” For the average Social Security recipient, this would be the equivalent of a 1.8% increase for 2010.

Bipartisanship in the Senate Finance Committee as They Vote on Health Reform

On Tuesday, Republican Senator **Olympia Snowe** of Maine cast her vote with Democrats on the Finance Committee, as the Committee voted on legislation to reform health insurance. The Committee approved the bill by a vote of 14-9. Next up: negotiations will begin with Senate Majority Leader **Harry Reid** (D-NV) and White House staff to merge the bill with the Senate Health, Education, Labor & Pensions (HELP) Committee bill. The merged bill will likely go to a vote at the end of this month. “The Alliance congratulates Sen. Snowe on her show of bipartisanship. We will work to persuade Sen. Snowe and all other Senators who are truly interested in health insurance reform to incorporate many of the provisions of the HELP Committee bill into the final Senate bill,” said **Ruben Burks**, Secretary-Treasurer of the Alliance. “The public option that is included in the HELP Bill but not the Finance Committee bill is vital.”

Future Alliance Events: Conference Call, Las Vegas Convention

You are invited to join Alliance members across the country for a national conference call and health care reform legislative update on Wednesday, October 28 at 2:00 pm EDT. To participate in the call, please RSVP by email to araorganizing@retiredamericans.org or call 1-888-633-4435 to be sent the call-in details. RSVP’s must be made by Friday, October 23rd at 5:00 pm EDT. Please join us to discuss the critical components that must be included in any successful health care reform legislation. The call will identify key legislators to contact; discuss advocacy strategies for November and December; and include questions and comments from the field.

Also, mark your calendars for April 5-8, 2010 for the Alliance’s National Convention in Las Vegas, where we will kick off our grassroots efforts for the important 2010 elections. We will have workshops and training sessions to strengthen our organizing and advocacy skills, and hear from leading experts in public policy, health care and aging, and the media. Convention attendees will be electing officers for the Alliance. Watch for more details in an upcoming Friday Alert.