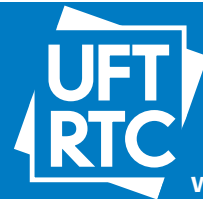


RETIREE



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THE UNITED FEDERATION OF TEACHERS RETIRED TEACHERS CHAPTER NEWSLETTER

Health Care Reform

The long uphill struggle for health care reform that was finally won earlier this year is already beginning to pay off for retirees as \$250 rebate checks make their way into the pockets of millions of Americans on Medicare.

By the end of the year, three million seniors who fall into the onerous Medicare Part D donut hole coverage gap will have received a rebate check to help cover the costs of their prescription drugs.

While the new health care reform bill is complex and will not be fully implemented until 2020, retirees are certainly among the early winners of all that health reform will finally mean, especially to millions of uninsured citizens.

Despite the millions of dollars spent to frighten vulnerable retirees with the scare of death panels and losing the right to choose a doctor — like the “Harry and Louise” ads that sank health reform in the early Clinton years — the legislation protects guaranteed benefits, eligibility and the right to keep your doctor.

Beyond the rebate checks, all brand name drugs will be discounted by 50% when you reach the coverage gap, effective January 2011, with additional savings over the next ten years until the

MESSAGE FROM THE CHAIR

By Tom Murphy

The RTC is ahead of the curve once again in its efforts to protect Social Security.

This time we must keep an eye on the fiscal hawks who appear to be a majority on the president’s National Commission on Fiscal Responsibility and Reform and who are targeting Social Security, as well as Medicare, to reduce the federal deficit.

An RTC resolution — passed unanimously last April by the RTC and UFT executive boards — called on the UFT and all our allies to alert the public to the likelihood that the “Entitlement Commission,” as the Fiscal Reform Commission is more popularly known, will try and balance the budget and reduce the deficit on the backs of senior citizens. The AFT passed a similar resolution at its convention in July in Seattle.

That call is more pressing now as the 18 members of the commission, who have so far held three meetings without any apparent media coverage of the events, move toward their December deadline to find ways to address the growth in entitlement spending and to reduce the annual federal deficit to 3% by 2015.

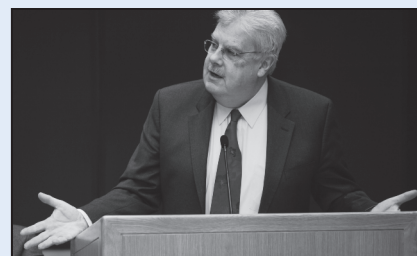
Our concerns are twofold. First, we are worried about both the congressional and presidential committee members. Some appointees have repeatedly acted to weaken Social Security and Medicare.

A columnist for the *Los Angeles Times* wrote recently about Commission Co-chair Alan Simpson, the former Republican senator from Wyoming, “Get this man away from Social Security.” Simpson has a long history of sniping at seniors as “greedy geezers.”

And Co-chair Erskine Bowles, president of the University of North Carolina and former chief of staff in the Clinton administration, was quoted by the National Committee to Preserve Social Security and Medicare (NCPSSM) as telling North Carolina bankers, “We’re going to mess with Medicare, Medicaid and Social Security because if you take those off the table you can’t get there.” “There,” of course, means deficit cuts.

In addition to appointing the co-chairs, Obama has appointed two corporate CEOs, David Cote and Anne Fudge; an academic, Alice Rivlin; and labor leader Andy Stern.

Our second concern is about what critics are calling the enormous, unaccountable authority delegated to the Entitlement Commission, giving it unprecedented legal authority to propose changes



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in both the tax code and major entitlement programs like Social Security and Medicare — authority that circumvents the normal congressional process. Commission recommendations will only allow Congress an up or down vote with no amendments, which critics charge subverts congressional responsibilities.

As Barbara Kennelly, head of NCPSSM, points out, “Pushing through changes this important to millions of Americans ultimately disenfranchises voters and hurts the political process. Restrictive timelines, no amendments and limited debate is not the way to address programs touching virtually every American family.”

Social Security is not responsible for our nation’s deficit. The deficit is the result of a decade of

borrow-and-spend policies, two wars, billions of dollars in tax cuts for the wealthy and a recession driven by the excesses of Wall Street. The Social Security Trust Fund is owed \$2.6 trillion loaned to the government to pay for other programs. And this is their target?

Social Security, Medicare and Medicaid are three separate programs with three distinct sets of pressures requiring separate solutions. Social Security is the most stable. With some tweaking of revenue sources such as raising the cap on very high income contributors, strong solvency can be extended for decades. The other two programs are intricately connected with the new health care legislation (which extended Medicare’s solvency by a decade) and as we monitor its incremen-

tal implementation, rational adjustments can be made to strengthen them. Remember that social programs providing a safety net for those otherwise vulnerable have been hallmark achievements of progressive government long advocated by the American labor movement. Opponents have always sought ways to dismantle or cripple them. We can’t let that happen. We can boldly recognize the economic and political pressures and think realistically about solutions. But we must always act to strengthen what we have fought so hard to achieve.

This newsletter launches our campaign for action. Please take the petition below, duplicate it and get it signed. Send it back to us and we will get it to the appropriate parties.

Petition to: President Barack Obama

Honorable Harry Reid, Majority Leader, United States Senate

Honorable Nancy Pelosi, Speaker, United States House of Representatives

We, the undersigned, strongly urge President Obama to instruct the National Commission on Fiscal Responsibility and Reform not to try and reduce the federal deficit on the backs of senior citizens.

Social Security and Medicare are earned benefits paid for by working men and women throughout their careers and are essential to the wellbeing of millions of American seniors.

The commission’s present mandate disenfranchises voters and subverts Congressional responsibilities for deciding such far-reaching and important fiscal considerations touching so many lives.

We urge the Obama administration and the Congress to reaffirm the social contract promise of Social Security and Medicare to seniors and to exclude entitlement programs from the commission’s purview.

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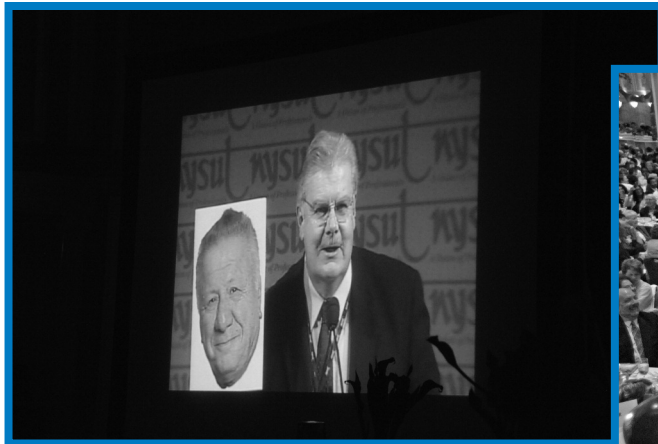
CITY

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Clip and return to: Tom Murphy, RTC Chapter Leader, 52 Broadway, 17th Floor, New York, NY 10004

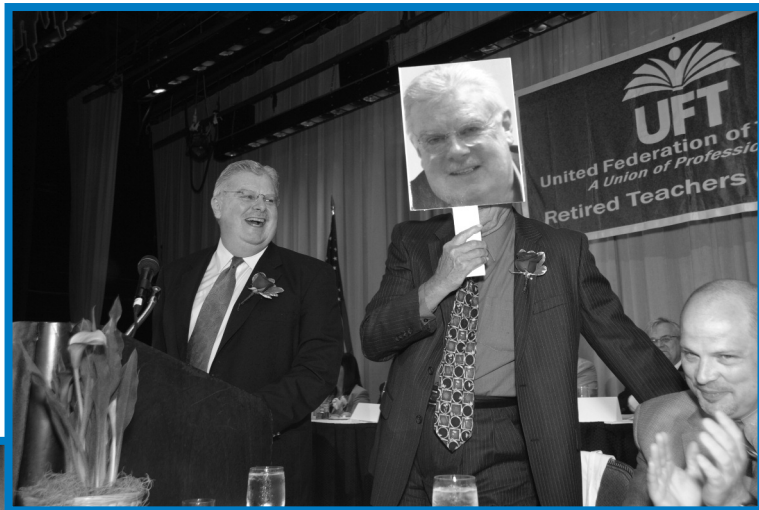
Annual RTC lunch a big hit



The 47th annual luncheon of the Retired Teachers Chapter was held on June 7 at the New York Hilton Hotel. In April RTC Chair Tom Murphy accepted an award on behalf of former Chair Tom Pappas at the NYSUT Representative Assembly and he donned a Pappas mask for the occasion. A video of that was shown at the lunch (above), which led Pappas to wear his own mask – of Murphy (right).



Former Chapter Chair Tom Pappas addressed the hugely popular luncheon.



UFT President Michael Mulgrew was on hand, and Tom Pappas offered him some advice.



gap is closed in 2020. Preventive care benefits next year will provide annual free physicals to develop and update your wellness plan and coverage for colonoscopy, mammography, prostate tests, flu shots, etc.

Retirees will continue to be able to choose their own doctors and the number of primary care doctors, nurses and physicians assistants as well as community health centers will be increased.

The new law also levels the playing field by gradually eliminating the over \$1,000 more in subsidies to insurance companies per beneficiary enrolled in Medicare Advantage plans that are paid for by all Medicare bene-

ficiaries, including the 77% of us enrolled in traditional Medicare.

Elimination of the overpayment costs for Advantage Plans and reduction of abuse and fraud through improved accountability will keep Medicare strong and solvent. By 2018, seniors can expect an average savings in premiums of \$200 and more than \$200 in co-insurance than they would have without the new law.

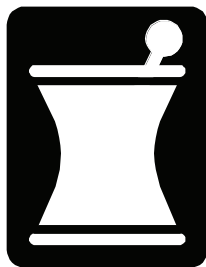
The Elder Justice Act, included in the new law, will improve the quality of nursing homes and, through a national program for criminal background checks of workers who provide long term care in both facilities and private homes, combat abuse and neglect

of the elderly.

For early retirees, the president has created a temporary reinsurance fund of \$5 billion to offset the costs of employer-based retiree health plans for those retiring before age 65.

Retirees and their family will be well served by the new law, which expands coverage so that children up to age 26 can remain on their parents' health insurance policy and prohibits insurance companies from denying coverage for pre-existing conditions and from establishing lifetime limits on coverage.

For retirees and all Americans, the new law ensures increased quality health care.



UFT RETIREE

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Tom Murphy, *Chapter Leader*

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