

March 24, 2015

U.S. House of Representatives
Washington, DC 20515

Dear Representative:

On behalf of the millions of members and supporters of the National Committee to Preserve Social Security and Medicare, I am writing to urge you to support the alternative budget resolutions to be offered by the Representatives Chris Van Hollen (Democratic Caucus), Raúl M. Grijalva (Congressional Progressive Caucus) and G.K. Butterfield (Congressional Black Caucus) because they protect the most vulnerable among us.

The caucuses' proposals are in sharp contrast to Budget Committee Chairman Tom Price's plan (H. Con. Res. 27), which would end traditional Medicare, block grant Medicaid and double down on a House rule which in effect requires Social Security retirement benefit cuts in exchange for addressing the financing of the Social Security Disability Insurance (SSDI) program. In addition, Chairman Price's plan repeals the Medicare benefit improvements in the Affordable Care Act (ACA) and raises the eligibility age for Medicare.

By contrast, the Democratic, Progressive and Black Caucuses' budgets continue the investments made in the ACA to expand Medicaid in the states and to help people with modest incomes gain health insurance. The Congressional Progressive Caucus (CPC) budget would allow Medicare to negotiate prescription drug prices and the Democratic Caucus budget proposes to restore rebates from drug manufacturers for drugs prescribed to individuals who are dually eligible for Medicare and Medicaid and for people receiving the Medicare Part D Low-Income Subsidy.

We support a proposal in the Democratic Caucus budget which would eliminate Medicare provider sequester cuts. This plan will help to ensure that seniors can continue to have access to their trusted physicians.

The National Committee commends the Congressional Black Caucus (CBC) for suggesting that Social Security and Medicare should be improved rather than cut. Likewise, we support the Congressional Progressive Caucus's call to address the growing retirement income crisis by raising Social Security's modest benefits. To improve Social Security's solvency and boost benefits, the CPC and CBC support raising the cap on payroll taxes. We support the CPC and CBC provisions for a fairer measure to protect Social Security benefits from inflation by using a fully-developed Consumer Price Index for the Elderly (CPI-E) to set cost-of-living adjustments (COLA).

Conversely, we oppose the substitute budget resolution to be offered by Representative Marlin Stutzman (Republican Study Committee) because it proposes to adopt the "chained" CPI to calculate COLAs. The chained CPI would cut projected benefits for the oldest and most vulnerable Americans who would be least able to afford it.

The Republican Study Committee (RSC) and Price budgets put 11 million severely disabled SSDI beneficiaries at risk of a 20 percent benefit cut next year unless legislation to address the financing of the program is accompanied by benefit cuts. As Acting Social Security Commissioner Carolyn Colvin recently told the Senate Budget Committee, a 20 percent benefit cut would be a “death sentence” to disabled workers who are “barely surviving” on their modest benefits. That’s why the National Committee urges the House to reject the SSDI recommendations in the RSC budget and H. Con. Res. 27 and instead make a modest reallocation of Social Security payroll taxes from the retirement trust fund to the Disability Insurance Trust Fund as has been done 11 times in the past on a bipartisan basis.

We also oppose plans in the RSC substitute to increase the Medicare eligibility age to 67 and the Social Security full retirement age to 70. Contrary to popular belief, not everyone is living longer or is able to work into their 70s. While life expectancy has risen six years for the top half of income earners, workers in the bottom half have only gained 1.3 years. But even for Americans who can work longer, raising the Medicare eligibility age and Social Security retirement age are benefit cuts.

Increasing the Medicare eligibility age shifts costs to seniors, employers and Medicaid. Raising the Social Security retirement age asks workers to sacrifice even more and, of course, assumes there will be jobs available for them.

As more seniors depend on Social Security for all or most of their income, we should be strengthening the social insurance safety net, not cutting benefits. In addition, ending traditional Medicare and block granting Medicaid will subject middle-class and poor Americans to the whims of private insurance companies and leave millions without adequate health coverage. This is not a path to a stronger America.

You have important choices to make this week and the contrast between these proposed budgets could not be clearer. Please consider seniors, the disabled and working families when you make your budget priorities known.

Sincerely,

A handwritten signature in cursive script that reads "Max Richtman".

Max Richtman
President and CEO