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NEWSLETTER – November 2008

Our lives begin to end the day we become silent about things that matter.
Martin Luther King, Jr.

About the Alliance:

The Alliance is a unique state/national organization working to create an America that protects the health and economic security of seniors, rewards work, strengthens families and builds thriving communities. Launched nationally in 2001 and in Wisconsin in 2005, it is a coalition of AFL-CIO affiliated unions, retiree groups, and community-based organizations dedicated to economic and social justice.

The Alliance is a voice for retirees and older Americans. Our goal is to educate, energize and mobilize seniors to make a difference through activism. The Alliance fights for:

A strong Social Security system that provides guaranteed benefits & protects families for life.

Health care seniors can depend on through Medicare.

Affordable and accessible prescription drugs.

Strengthening pension laws.

Affordable and accessible long term care

Message from the President

Leon Burzynski

There has been a world of destructive change over the past several months! Unless there are major changes in the financial systems in the United States, mine is the last generation that will have access to the quality of life we enjoy.

On September 1, 2008, when the last WIARA Newsletter went to print, the Dow Industrial Average hit a high of 11,831.29. This past week it hit a low of 7,773.71. That is a drop of 35 percent over two months.

During the past 15 months, the stock market has wiped out approximately \$2 trillion of retirement savings. The breakdown of the U.S. and global economic system is especially hard on retirees. The **Great American Dream** of a retirement nest egg that, in addition to our Social Security benefits, was going to pay for a few pleasures in our Golden Years has disappeared. The Wall Street Casino, where millionaires win and taxpayers lose, has stolen most of the eggs from our nest egg basket.

While scores of WIARA retiree members receive income from traditional pension plans that are well funded, there are many others who depend on personal investments and 401(k) plans. These are the folks suffering from the madness on Wall Street.

In my younger days, the mantra was that the only money we should invest in Wall Street was money we could afford to lose. That warning got lost over the past several years as stock values rose exponentially, first due to the technology craze, and then due to the housing boom.

To deal with this massive inflow of money, manipulators on Wall Street developed new investment schemes and raked off millions for themselves. The Washington overseers, led by supposed guru, Alan Greenspan, testified the financiers on Wall Street did not need regulation because they were decent people who would regulate themselves. We now see how well self-regulation works!

I think noted economist, John Maynard Keynes, understood the effects of greed. "*Capitalism is the extraordinary belief that the*

nastiest of men, for the nastiest of reasons, will somehow work for the benefit of us all."

The quote from Keynes illustrates his belief in an interventionist government policy in which the government would use fiscal and monetary measures to mitigate the adverse effects of booms, recessions, and depressions.

Retirees are under attack at every turn. President Bush tried to privatize Social Security and the present Republican candidate, Senator McCain, agrees with him. There are some in Congress who want to dismantle Medicare, raise the retirement age, and cut other guaranteed benefits. We cannot allow this to happen.

The ship without a rudder in Washington must be turned around to a sane and sensible course. The Wisconsin Alliance for Retired Americans will continue to fight these attacks on the retiree quality of life. We owe it to our children and grandchildren so they do not have to work until the day they die.

Retirement with dignity should be a right, not a privilege!

COMPARE THE PRESIDENTIAL CANDIDATES

Vivien De Back

One of the most overused phrases in a Presidential Election year in America is: **This is the most important election...**“in our history” **1888...**“since the Civil War” **1924...**“in the history of America” **1976...**“in this century”.**1980....**“in a generation” **1992...**“in our lifetime” **2004**. It’s very clear that electing a President of the United States is so significant it calls forth highly charged and powerful words to convey its importance. So, I will do it again. **THIS IS A REALLY IMPORTANT ELECTION!** It is one in which people, particularly Seniors, are looking for information to help them decide which candidate will best lead the country to a more stable economy, fund the important issues of the day (such as health care for all), repair our global image, and restore a sense of pride in our nation.

To inform WIARA members about the position of the presidential candidates on several major issues, I compiled a list of issues of interest to retirees and seniors and compared each of the candidate’s positions. Hopefully, this information will be helpful when you go to the polls on November 4th.

Issue	Obama	McCain
Health Care Proposals	Through partnerships among federal and state governments, employers, providers, and individuals, the Obama plan will save a typical American family up to \$2,500 per year on medical expenditures.	McCain will give \$5,000 to each family to buy health care. He will pay for his \$5,000 health insurance tax deduction by cutting Medicare and Medicaid funding. (See additional comments at end of article)
Medicare Part D Prescription Drugs	Supports closing the “doughnut hole” in Medicare Part D so that seniors will have continuous prescription drug coverage for the whole year. REQUIRES Medicare to negotiate for lower prices	Opposed the creation of a drug benefit for all seniors, believes the current program is too generous, and has not supported closing the Medicare Part D “doughnut hole.” Leaves in place a law that PROHIBITS Medicare from negotiating for lower prices
Controlling Health Care costs	Would end “cost shifting” by guaranteeing affordable coverage to everyone and emphasizing preventative care.	Relies on competition in insurance market to control costs, sets no company standards for affordable coverage.
Protecting Benefit Programs	Preserves the tax advantages of receiving health insurance through employers without being taxed on that benefit.	Eliminates the current employer tax exclusion for health insurance premiums, and would require employees to pay taxes on health care contributions received from employers for health insurance coverage.
Health Care for Children	Voted in favor of legislation to expand the State Children’s Health Insurance program (S-CHIP) to cover America’s 9 million uninsured children. Obama’s Health Plan requires that all children receive health insurance.	Voted against reauthorization of the State Children’s Health program (S-CHIP) and against extending coverage to more children. McCain’s Health Plan includes no specific proposal to expand health care for children.
Veteran Medical Care	Voted to increase Veterans medical funding by \$1.5 billion in FY 2007 to be paid by closing corporate tax loopholes. (vote 3/14/06) Voted to provide an additional \$430 million for Dept. of Veteran Affairs for outpatient medical services for veterans. (vote 4/26/06)	Voted to oppose Veterans medical funding by \$1.5 billion in FY 2007 to be paid by closing corporate tax loopholes. (vote 3/14/06) Voted to oppose additional \$430 million for Dept. of Veteran Affairs for outpatient medical services for veterans. (vote 4/26/08)

On October 6th the Wall Street Journal reported that Senator McCain’s health care proposal would result in cuts of \$1.3 trillion over 10 years to Medicare and Medicaid. Edward F. Coyle, Executive Director of the *Alliance for Retired Americans*, responded.

“This report pulls back the curtain on the McCain health care plan, showing us that the real straight talk is how yet another big gift to the insurance industry would be paid for on the back of millions of retirees. This is terrible news for our nation’s seniors, who in this time of economic anxiety, are already struggling to make ends meet as the prices of food, energy, and transportation continue to soar.

Medicare, like Social Security, is one of our nation’s greatest success stories. Generations of seniors have been able to better afford their doctor visits and prescriptions drugs. Medicare works, and as part of national health care reform, we need to strengthen Medicare – not decimate it. As the McCain health care plan would also cause many employers to drop retiree health care, a stronger Medicare program would be needed now more than ever.”

Fall Election Activities

The WIARA expanded its educational outreach in preparation for the November election. Here is a partial list of the many activities organized, facilitated, and sponsored by our organization over the past several months.

- Participated in the Milwaukee LaborFest celebration and organized Social Security Birthday events.
- Organized eleven candidate forums in state races as well as at the 8th Congressional District between John Gard and Congressman Steve Kagen with over 250 people in attendance.
- Moderated the Franklin candidate forum in the 1st Congressional District.
- Facilitated educational presentations at ten senior centers to discuss issues such as health care reform, strengthening and protecting Social Security and Medicare, fixing Medicare Part D, and extending Wisconsin SeniorCare.
- Met with fifteen affiliates to discuss campaign issues as well as our endorsements of Senator Obama, Congressman Kagen, and endorsements in state assembly and senate races.
- Distributed 2500 voter guides to inform retirees on the issues and programs being discussed during the fall election cycle.
- Established mail program targeting retirees that included invitations to candidate forums in their area, absentee ballot request applications, and comparisons between candidates, including Senators Obama and McCain.

The Importance of Social Security

Leon Burzynski

President Bush made it clear from the beginning that he wanted to dismantle the Social Security program. He and his advisors thought that appealing to the "greed factor" would win the day for the privatization scheme. Fortunately, the American people did not buy into his flawed assumption.

The turmoil on Wall Street and in the global economy clearly illustrates why privatizing Social Security is such a gamble. The ARA has listed additional reasons we cannot afford this move.

- The cost of living has increased 21.5 percent since 2001.
- The U. S. Department of Energy estimates a 30 percent increase in the cost of home heating oil and a 19 percent increase in the cost of natural gas for the upcoming winter season.
- Many Americans have been forced to withdraw funds from their 401(k) plan to cover medical bills or mortgage payments.
- The U. S. news and World Report states that 28 percent of all mortgage delinquencies and foreclosures are for homeowners over age 50.

Prior to the 1935 enactment of the Social Security legislation, over 50 percent of seniors lived in poverty. I urge you to keep that in mind as you sort out the claims being made by the candidates for office in this election. Social Security is one of the most successful programs ever to be enacted by Congress.

Visit our website at www.wisconsinara.org

JOIN THE WISCONSIN ALLIANCE HELP SUPPORT OUR ACTIVISM FOR SENIORS

The Wisconsin Alliance for Retired Americans is a senior activist organization. Your membership means you are supporting an organization with volunteers on the front line fighting for improving Medicare Part D under Medicare and to preserve Social Security.

Send your membership to:

WI ARA, 6333 West Bluemound Road, Milwaukee, WI 53213

Name _____ Phone _____

Address, city, zip _____

Email address _____

_____ \$10 membership

Additional Donation _____ \$10 _____ \$20 _____ \$30

Medicare Part D Plan – Shock Coming

For Medicare beneficiaries who rely on the Part D prescription drug program, the next two months may be a nightmare. The insurance companies offering the plans have changed almost everything about them.

First, there will be a dramatic drop in the number of plans available. Some might consider that a good thing. With fewer plans, their decision-making should be easier. However, they will be facing other challenges.

It appears that major changes are coming in co-pays, deductibles, and premiums. The early reports from senior citizen advocacy groups indicate a 12 to 60 percent increase in premiums, far outpacing the rate of inflation.

Robert M. Hayes, the president of the Medicare Rights Center, says that the average “premium increase for over 60 percent of people with Medicare - those enrolled in the ten largest drug plans – will exceed 30 percent.”

The two largest plans, both by Humana, are raising their premium cost for 2009 by over 60 percent. This is especially bad news for Wisconsin seniors as Humana is the major insurer here.

Another source claims the United Health AARP Group will raise the 2009 cost of their AARP preferred plan by 15.5 percent to \$37 per month. This plan presently has 2.7 million beneficiaries.

Many remember the claims by President Bush and Congressional representatives that Part D would use competition to hold costs down. Apparently, they

forgot to inform the insurance companies. While reporting record quarterly profits due to their Part D business, insurance companies have increased premiums drastically.

For example, Humana has raised the cost of their basic plan by 330 percent since its inception in 2006.

More troubling is the fact that Humana is dropping all eligible low-income plans for 2009. This will make it especially difficult for those most in need, the poorest of the poor, because a great majority of them will have to transfer to a new plan.

Those in Washington who gave us the Part D plan have no help to offer, other than to visit their web site. They seem to be oblivious to the fact that a large majority of seniors and retirees are not surfers of the Internet. This is one more reason we need a change in Washington.



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