

Facts on Medicare and Social Security, the Deficit Commission, and Action Items

History of Social Security and Medicare

- In 1935, under President Roosevelt Social Security was enacted in the midst of the Great Depression to alleviate poverty among the elderly, widows, orphans, and people with disabilities.
- Medicare has guaranteed coverage since 1965 to all seniors and people with disabilities regardless of their income, health status, or where they live.
- Social Security and Medicare have proven to be the most successful social programs in our nation's history, without which the poverty rate for seniors would 48% instead of 10%.

Social Security and Medicare Today and in the Future

- Social Security currently has a \$2.2 trillion surplus and is solvent through 2037.
- Prior to 1983 Social Security did not have a trust fund. The trust fund was established to help pay for the increased number of people relying on social security due to the baby boomers.
- Social security is NOT a retirement program it is an INSURANCE program for those who are unable to work for any reason including becoming permanently or temporarily disabled.
- For almost one in five (19%) of recipients, Social Security is their sole source of income.
- For 30% of social security recipients, Social Security accounts for 90% of their retirement income.
- 56% of people on Social Security rely on Social Security for more than half of their annual income.
- Medicare has become a national treasure by providing coverage to 45 million older Americans and Americans with disabilities.
- Medicare is the second largest source of federal spending for HIV care and treatment.
- Medicare continues to be instrumental in reducing disparities in access and coverage for racial and ethnic minority groups.
- By 2030, 20 percent of the US population-77 million people-will be eligible for Medicare.
- Medicare supports US teaching hospitals and provides extra support to hospitals that serve a disproportionate number of low-income patients and to rural hospitals.
- Turning Medicare in to a truly single payer system will make Medicare sustainable for future generations.

Obama's Deficit Commission

- In 2010, President Obama issued an executive order to create the National Commission on Fiscal Responsibility and Reform, aka the "Deficit" or "Debt" Commission. The 18-member Commission is heavily weighted with right wing conservatives who will benefit from cutting Social Security and Medicare.
 - Notable members of the Commission:

- **Former Sen. Alan Simpson (R-WY)**- When asked about the cuts he would recommend to the President and Congress on CNBC, Simpson said “ We are going to stick to the big three,” meaning Social Security, Medicare and Medicaid.
 - **Erskine Bowles, Chief of Staff to President Clinton**- Negotiated deal with Newt Gingrich to raise Social Security retirement age and to privatize some of it under Clinton; deal was stopped by the Lewinski scandal.
 - **Sen. Max Baucus (D-MT)**- Proponent of for profit health insurance. Has received over \$1.8 million from Health lobbyists.
- The underlying goal of the Commission will be to cut Social Security and undermine Medicare, all in the pursuit of cutting the nations debt.
 - Recommendations from the Commission will not be made public until after elections in November, which will be too late for voters to voice their objections.
 - While Obama stresses that “everything has to be on the table” for the Deficit Commission to discuss, Obama and Congress did not consider HR 676, which is estimated to save \$400 billion a year.

Pete Peterson and AmericaSpeaks

- Billionaire Pete Peterson, longtime opponent of Social Security, is underhandedly involved with the Commission. A Peterson founded organization is supplying staff to the Deficit Commission. Peterson hosted an event after the first meeting of the Commission (which was focused primarily on Social Security) that the two co-chairs and two other members attended.
- Peterson’s continuing answer on how to decrease the deficit will be to cut Social Security.
- Pete Peterson is currently funding AmericaSpeaks, a private organization which is holding “21st Century Town Halls” around the country likely to create the political will to slash social security and Medicare.

Medicare for All makes Medicare sustainable for future generations:

- HR 676, expanded and improved Medicare for All, will eliminate 31 cents of every dollar wasted on private health insurance bureaucracy saving \$400 billion dollars a year.
- HR 676 will capture the savings and deliver comprehensive, high quality health care to everyone and eliminate financial or other barriers to care.
- Prescription drugs will cost less if Medicare is expanded to everybody
- The best guarantee that Medicare will provide quality health care to all is if everyone is in the same risk pool.
- By implementing an improved Medicare for All program:
 - the government will be able to negotiate with pharmaceutical companies to lower the price of prescription medicine;
 - hospitals will operate on an annual budget;
 - money formerly wasted on administrative overhead can be used for clinical care and to eliminate co-pays and deductibles

Therefore, we demand our Members of Congress pledge to:

- Work to defeat any bill to cut, privatize or dismantle our social safety net--Social Security, Medicare, and Medicaid.
- Oppose the raising of the eligibility age for Social Security and Medicare.
- Support expanded and improved Medicare for All, HR 676, as the way to fix our economy and our (still) broken health care system.
- We need to cut spending on wars of occupation in Iraq and Afghanistan, not Social Security and Medicare.

Actions:

- Organizing Rallies outside of AmericaSpeaks events on June 26th across the country bringing single-payer messaging
- Collecting thousands of post cards nationwide to stop Congress from voting to cut social security and Medicare
- Organizing call-in days
- Organizing LTE Campaigns targeting specific members of Congress and urging them to vote NO
- Organize events on July 30th, the anniversary of Medicare to deliver the statements to Congress
- Monitoring the Deficit Commission's monthly public meetings, and organizing rallies to expose the intentions of the Commission.
- Support Nationwide Vigils sponsored by PDA to say "Hands Off Social Security and Medicare!"
- We need your help! Contact Healthcare NOW! to get involved with these actions!