



NRLN Review

NRLN
NATIONAL RETIREE
LEGISLATIVE NETWORK

NRLN Review, Summary for June 2021

The NRLN Review provides a monthly report on National Retiree Legislative Network actions, events in Congress and important retirement news.

NRLN Action Alert Supports Retirement Security Bills

For around three years the NRLN has been working to get two of its proposals into a bill. One proposal would limit retirees' exposure to pension recoupment. The other proposal is intended to promote the funding of healthcare and life insurance benefits provided by their former employer. An NRLN Action Alert was issued on June 9 requesting that NRLN members urge their Senators and Representative to support the following bills.

S. 1770, Retirement Security and Savings Act, introduced by Senators Benjamin Cardin (MD) and Rob Portman (OH), has both NRLN proposals:

Pension Recoupment - It clarifies that a pension plan does not have a fiduciary duty to recoup overpayments, but if it chooses to do so, it must be done within three years of the initial overpayment. (Now there is no limit to back years.) The company may not recoup more than 10% of the amount of the overpayment per year, and it may not recoup against a beneficiary of a participant.

Protect Benefits – A provision in the bill would promote the funding of healthcare and life insurance benefits for retirees with single employer defined benefit pensions by amending the Employee Retirement Income Security Act (ERISA) and Internal Revenue Code (IRC) Section 420 to set the surplus transfer limit at 110%. Use of pension funding surplus for retirement benefits would not exceed 1.75% of plan assets for a single or multi-year transfer.

H.R. 2954, Securing a Strong Retirement Act of 2021, introduced by Richard Neal (MA-01) and Kevin Brady (TX-08), has the provision on Pension Recoupment.

Both bills have a number of important provisions to allow workers who have saved too little to set more aside for their retirement and help small businesses offer 401(k)s and other retirement plans. The bills provide for automatically enrolling eligible participants in the savings plans, with the ability for employees to opt out of coverage. Both bills would create a study on ways to improve the Annual Funding Notice (AFN) that pension plan sponsors are required to send to plan beneficiaries.

Click here to respond to this Action Alert. <https://www.nrln.org/SE.html#/>

NRLN Action Alert Urges Passage of Bills to Reduce Drug Costs

On June 21 the NRLN issued an Action Alert asking members to email the NRLN's letter to their Representative to urge him/her to pass **H.R. 3, Elijah E. Cummings Lower Drug Costs Now Act** and

encourage their Senators to pass **S.833, Empowering Medicare Seniors to Negotiate Drug Prices Act of 2021.**

A few of the provisions of **H.R. 3** are:

- Eliminates the “non-interference” clause and empower Medicare to negotiate better prices for 125 drugs that account for the greatest national spending or the 125 drugs that account for the greatest spending under the Medicare prescription drug benefit and Medicare Advantage.
- Makes the lower drug prices negotiated by Medicare available to Americans with private insurance, not just Medicare beneficiaries.
- Limits the maximum price for any negotiated drug to be no more than 120 percent of the average price in countries with similar economies to the U.S., where drug companies charge less for the same drugs – and admit they still make a profit.
- Cap seniors’ out-of-pocket costs for prescription drugs at \$2,000 per year.

S. 833 would have the Secretary of Health and Human Services directly negotiate with drug companies for price discounts for the Medicare Prescription Drug Program. While the bill is not as comprehensive as H.R. 3, the NRLN supports it.

The NRLN hopes that both bills will pass and go to a joint House and Senate conference committee and the result will be a meaningful bipartisan bill to reduce drug prices that both chambers will pass and the President will sign into law.

Click here to respond to this Action Alert. <https://www.nrln.org/SE.html#/>

Letter to Chairman Durbin on Protecting Retirees in Corporate Bankruptcy

NRLN President Bill Kadereit sent a letter on June 18 to Illinois Senator Dick Durbin, Chairman of the Committee on Finance, to request that he reintroduce **Protecting Employees and Retirees in Business Bankruptcies Act**. The letter stated the NRLN would like to see amendments to the bill to add the additional protections for older workers and retirees as described in the letter and in more detail in the newly updated NRLN white paper on **Protecting Retiree Benefits in Bankruptcy**.

Tens of millions of American retirees on fixed incomes rely on earned benefits from their former employers for retirement income, critical medical treatment, and essential benefits for their survivors. Workers and retirees plan their retirement security around the continuation of these benefits. Unfortunately, a growing number of retirees and older workers are finding that these benefits are the first things lost when their former employer files for bankruptcy. Even though pension, health care, disability and life insurance benefits are critical for basic health and well-being, bankruptcy courts too often treat them as expendable.

When retirees lose critical benefits in a bankruptcy, they don’t ever get them back, even when the economy or the company’s fortunes improve. Unlike suppliers, lenders, and active employees, who can diversify their risk or make an adjustment as a company descends into bankruptcy – or who can recoup a portion of their losses out of future dealings with the restructured company – retirees typically suffer a permanent loss of those benefits. And even when the Pension Benefit Guaranty Agency (PBGC) takes over a bankrupt company’s pension plan, PBGC data show that a pension benefits are permanently reduced by 30% or more for a substantial number of pension plan participants.

Click here to read the NRLN’s white paper on needed corporate bankruptcy reforms.
<https://www.nrln.org/flyin%20whthpprs/WP.%20Protecting%20Retirees%20in%20Bankruptcy.pdf>

NRLN Legislative Committees’ Work

The NRLN’s Legislative Advisory Committee (LAC) composed of Judy Stenberg, Chairwoman, Deb Morrissett, Joe Mazzei, Al Duscher and Bob Martina submitted the following bills for the Legislative Action Planning

Committee (LAPC) to consider for action during its June 7 conference call. The LAPC includes Bill Kadereit, Chairman, Judy Stenberg, Alyson Parker, Bob Martina and Ed Beltram.

S. 1770, Retirement Security and Savings Act includes NRLN proposals to limit retirees' exposure to pension recoupment and promote the funding of healthcare and life insurance benefits provided by their former employer. **H.R. 2954, Securing a Strong Retirement Act of 2021** includes NRLN proposal to promote the funding of healthcare and life insurance benefits provided by their former employer. Both bills have a number of important provisions to allow workers who have saved too little to set more aside for their retirement and help small businesses offer 401(k)s and other retirement plans. The bills provide for automatically enrolling eligible participants in the savings plans, with the ability for employees to opt out of coverage. Both bills would create a study on ways to improve the Annual Funding Notice (AFN) that pension plan sponsors are required to send to plan beneficiaries.

-- NRLN Action Alert was issued on June 9 to urge Senators to pass **S. 1770** and urge Representatives to pass **H.R. 2954**.

H.R.3, Elijah E. Cummings Lower Drug Costs Now Act would require the Department of Health and Human Services (HHS) to negotiate prices for certain drugs (current law prohibits HHS from doing so). Specifically, HHS must negotiate maximum prices for single-source, brand-name drugs that lack certain generics and that are among either the 125 drugs that account for the greatest national spending or the 125 drugs that account for the greatest Medicare spending. Also, the bill creates a new, \$2,000 out-of-pocket limit on Part D prescription drugs for Medicare beneficiaries. **S. 833, Empowering Medicare Seniors to Negotiate Drug Prices Act of 2021** would require the Centers for Medicare & Medicaid Services (CMS) to negotiate with pharmaceutical companies regarding prices for drugs covered under the Medicare prescription drug benefit.

-- NRLN Action Alert will be issued on June 21 to urge Representatives to pass **H.R. 3** and urge Senators to pass **S. 833**. Since the NRLN is supporting **H.R. 3** that includes negotiating drug prices, the Action Alert did not include **H.R. 2071, Empowering Medicare Seniors to Negotiate Drug Prices Act of 2021**.

H.R.446 / S.15 Protecting Seniors from Emergency Scams Act would require the Federal Trade Commission to update its website to include a searchable database of scams targeting seniors. The FTC also would be required to send Congress a report with policy recommendations to prevent scams targeting older individuals, especially during national emergencies.

-- Letters were emailed on June 8 to Chairwoman Maria Cantwell (WA) and Ranking Member Roger Wicker (MS) on the Committee on Commerce, Science and Transportation requesting a Committee vote on **H.R. 446, Protecting Seniors From Emergency Scams Act** which was passed by the House and sent to their Committee on April 19. **S. 15** is the companion bill in the Senate.

H.R.1332 / S.368, Telehealth Modernization Act. Telehealth has been a critical lifeline for more than 10 million patients who needed care during the COVID-19 pandemic. Telehealth for Medicare participants will expire at the end of the COVID-19 public health emergency. Passing **H.R. 1332 / S. 368** would make sure that telehealth coverage for Medicare beneficiaries is made permanent.

-- Letters were emailed on June 8 to House Subcommittee on Health Chairwoman Anna Eshoo (CA-18) and Ranking Member Brett (KY-02) requesting a Subcommittee vote on **H.R. 1332**.

-- Letters were emailed on June 8 to Senate Finance Chairman Ron Wyden (OR) and Ranking Member Michael Crapo (ID) requesting a Committee vote on **S. 368**.

H.R.2050 / S.868, Huntington's Disease Disability Insurance Access Act of 2021. The current waiting period for Medicare is 2 years and the waiting period for Social Security Disability Insurance is 5 months for Americans with Huntington's Disease, a fatal hereditary disorder that causes deterioration of the brain. Passing **H.R.2050 / S.868** would ensure that everyone with this disease has immediate access to Medicare and Social Security benefits.

-- Letters were emailed on June 8 to House Committee on Ways and Means Chairman Richard Neal (MA-01) and Ranking Member Kevin Brady (TX-25) requesting a committee vote on **H.R.2050**.

-- Letters were emailed on June 8 to Senate Finance Chairman Ron Wyden (OR) and Ranking Member Michael Crapo (ID) requesting a Committee vote on **S.868**.

H.R.2181 / S.920, Affordable and Safe Prescription Drug Importation Act, would instruct the Secretary of Health and Human Services, within 180 days after enactment of this Act, to issue regulations allowing wholesalers, licensed U.S. pharmacies, and individuals to import qualifying prescription drugs manufactured at FDA-inspected facilities from licensed Canadian sellers. After two years, the Secretary would have the authority to permit importation from countries in the Organization for Economic Co-operation and Development (OECD) that meet specified statutory or regulatory standards that are comparable to U.S. standards.

-- Letters were email on June 8 to House Committee on Energy and Commerce Chairman Frank Pallone (NJ-06) and Ranking Member Cathy McMorris Rodgers requesting a Committee vote on **H.R.2181**.

-- Letters were emailed on June 8 to Senate Subcommittee on Primary Health and Retirement Security Chairman Bernie Sanders and Ranking Member Susan Collins requesting a Subcommittee vote on **S.920**.

H.R. 1565, Senior Security Act of 2021, would attempt to protect seniors from scams and financial abuse by appointing a task force on older investors at the Securities and Exchange Commission. The Senior Investor Taskforce would be required to identify challenges such as the financial exploitation and cognitive decline of investors older than 65, and to consider whether rules issued by the SEC or securities self-regulatory organizations should be changed to benefit them.

-- The LAPC considered this bill a low priority and note it on NRLN Report Card.

H.R. 2913, Encourage Americans to Save would change the saver's tax credit into a saver's match – a federal matching contribution to middle and low income working Americans who contribute to a retirement savings account.

-- The LAPC accepted the LAC's recommendation to table and monitor **H.R. 2913**.

Click here to see the bills that that the LAPC took action on.

<https://www.nrln.org/SE.html/congresslegs.html#/bills> This webpage feeds the data to the NRLN Report Card.

Click here to read letters emailed to Chairmen / Chairwomen and Ranking Members in the NRLN Archives - Letters to Washington. <https://www.nrln.org/ARCHIVES-W.HTML>

Key News Articles Posted in June

During June 118 links to news articles related to retirement issues were researched and posted daily IN THE NEWS on the NRLN website home page. The headlines below are links to the articles. Or, read the articles at www.nrln.org under IN THE NEWS in the right column. Scroll down the right column and click on the headline to access the article you want to read. Below are examples of the headlines.

[Biden Moves Slowly On Canadian Drug Importation](#) – June 1

[Doctors Tell How to Make the Most of Your Telehealth Visits](#) – June 2

[Expanding Health Coverage Is Top Priority For New Head Of Medicare/Medicaid](#) – June 3

[Biden's 2022 budget re-ups prospect of Medicare drug pricing negotiations](#) – June 4

[Biden wants \\$14 billion for the Social Security Administration. The funding could help customer service](#) - June 7

[Biogen's Alzheimer's Drug Is Approved by the FDA. The Price? \\$56,000 a Year.](#) – June 7

[Congress wants to make more changes to the U.S. retirement system. Here's what's in play](#) – June 9

[The Secret IRS Files: Trove of Never-Before-Seen Records Reveal How the Wealthiest Avoid Income Tax](#) – June 8

[Prescription drug prices increased twice the inflation rate of US economy in 2020, AARP report finds](#) –

June 8

[Senate crafts Pelosi alternative on drug prices](#) – June 9

[Financial Decision Making Worsens With Age. Here's How to Help Your Future Self.](#) – June 12

[To curb drug prices, Democrats still seeking a balance](#) – June 12

[Bill would permanently expand telehealth services](#) – June 13

[Does Biden tax plan affect those with income below \\$400,000? It depends on your frame of reference](#) – June 15

[The Fate Of Biden's Corporate Tax Hikes May Rest On Who Voters Think Pay Them](#) – June 17

[To Healthcare Industry's Delight, Supreme Court Saves Obamacare Once Again](#) – June 17

[Medicare No Longer Covers Pricey Brain-Cancer Therapy](#) – June 18

[Prescriptions alone cost us \\$5,000 a month: How the health care system fails working Americans](#) – June 19

[Despite campaign promises, 60% could see tax increase under Biden proposals](#) – June 20

[Senate Dem Leaders Seek to Add Vision, Dental to Medicare](#) – June 21

[Senate Finance chair releases principles for lowering prescription drug prices](#) – June 22

[Opinion: Saving Social Security will be far harder this time than it was in 1983](#) – June 22

[With inflation spiking, will Social Security be able to keep up?](#) – June 23

[Experts urge SECURE Act 2.0 passage at House hearing](#) – June 23

[Billionaires Or Corporations: Big Talk On Taxes Ignores How Little They Pay](#) - June 24

[Substandard generic drugs are flooding the US market and putting all Americans at risk](#) - June 25

[Inflation Greet Retirees Emerging From the Pandemic. Here's How to Prepare.](#) – June 26

[EXPLAINER: Dental, vision and hearing benefits for Medicare](#) – June 26

[How Deceptive Campaign Fund-Raising Ensnar Older People](#) - June 26

[Onetime backer of drug pricing bill turns foe](#) – June 28

[Joe Biden's Silent War On Seniors](#) - June 28

[Walmart to offer own low-cost brand of insulin](#) – June 29

[Inflation Could Bite into Retirement Savings](#) – June 30

[Desperate for Home Care, Seniors Often Wait Months With Workers in Short Supply](#) - June 30