



NRLN Focus



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Fall 2023

The NRLN Clarion Call...Fly-In takes NRLN issues to Capitol Hill

By Bill Kadereit, NRLN President



Rain from tropical storm Ophelia moved away from Washington, DC on Sunday afternoon, September 24, 2023, as flights began arriving for some of the NRLN members attending the NRLN Fly-In to advocate issues important to retirees. Other attendees flew into the nation's capital on Monday.

Four retiree Associations and eight Chapters were represented at the event. The Associations included Alliance of DTE Energy Retirees (DEAR), AT&T/Ameritech/SBC Retirees (AASBCR), National Chrysler Retirement Organization (NCRO), and TelCo Retirees Association (TelCo). Chapters included Arizona, New Mexico, Idaho, Montana, Oregon, Utah, Washington, and Lucent/Nokia Retirees Chapter.

After an NRLN Board meeting on Monday morning, September 25, and a briefing session on lobbying issues in the afternoon, attendees spent all day Tuesday and part of Wednesday in appointments on Capitol Hill.

Meetings were held in the offices of 22 U.S. Representatives, 14 U.S. Senators and with staff members for the Senate Committee on Finance and Senate Committee on Health, Education, Labor and Pensions.

Here is a brief summary of each issue presented in our meetings on Capitol Hill.

Protecting Retirees in Pension Risk Transfers – “De-Risking”:

One of the core principles of the Employee Retirement Income Security Act (ERISA) is its anti-cutback rule. No pension risk transfer should make a retiree or other participant worse off.

However, more companies are doing Pension Risk Transfers (De-risking) through the purchase of insurance company annuities

which eliminates ERISA and PBGC protections. The NRLN advocated that only legislation that requires an annuity contract that has independent, third-party reinsurance; a sale or transfer of assets must be to a state-regulated entity, and a highly-rated insurance company maintains third-party reinsurance – can protect pension plan participants. NRLN's proposed statutory amendments to ERISA were included in the folder presented to



Arián Beckwith (center), Legislative Director for Rep. John James (MI-01) listens to presentation from Janet Seefried, NRLN VP Secretary-Treasurer and President, Alliance of DTE Energy Retirees (DEAR). Next to Janet is Gerry Nicholas, Director, DEAR. At right is Rich Brown, Chair of Insurance Committee, National Chrysler Retirement Organization.



Lucy Schmitz (left) Legislative Assistant for Rep. Sean Casten (IL-06) listens to presentations from Mary Foley, President, and Thomas Gray, Director, AT&T/Ameritech/SBC Retirees (AASBCR).

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Congressional staff members.

Congress' Privatization Attempt of Medicare Advantage Fails:

Privatization of Medicare through Medicare Advantage (MA) plans have increased costs, income taxes, and jeopardized our children's and grandchildren's healthcare futures. MA's compound spending growth has increased 21%, over twice the traditional Medicare Fee-for-Service (FFS) 8% rate. MA rebate payments are \$76 billion (\$2,572 per year per enrollee) in 2023 and \$263 billion total from 2018 – 2023. Payments to MA plans cost 9% more per enrollee than traditional Medicare per enrollee. Access to benefits funded by rebates for 31 million MA enrollees are denied to the 27 million traditional Medicare enrollees. The NRLN proposed,



Neil West (left) representing NRLN Mountain West Chapters, and Joanne West, advocate issues with Asha Samuel (right), Senior Legislative Assistant for Rep. Earl Blumenauer (OR-03)



(Middle) Ken Gornall, President, Arizona Chapter, and Jennifer Gornall, pause for a photo with Rep. Raul Grijalva (AZ-07) and Kesley Mishkin (left) Deputy Chief of Staff.

1) Any new Medicare plan structure should encourage non-subsidized private plan competition with traditional Medicare on a level playing field;

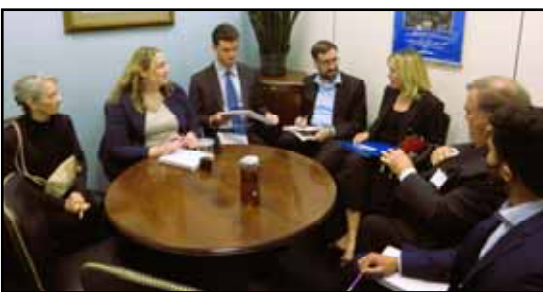
2) Traditional Medicare enrollees should be covered by all Medicare Part A & B benefits currently available to MA plan enrollees and be eligible for new Part A & B benefits approved by Congress.

Funding Social Security Is Essential to Keeping America's Promise:

Members of Congress must recognize that Social Security is not a welfare program paid for by the U.S. Government. Social Security is funded by payroll taxes and cannot add a penny to the federal debt. The NRLN



Samara Brown (center), Senior Legislative Assistant for Senator Ted Cruz (TX), listens to presentations by NRLN President Bill Kadereit (right) and Jack Boyd, Lucent/Nokia Retirees Chapter representative, and Deborah Boyd.



Jane Banfield (left), VP TelCo Retirees Association, Alyson Parker, NRLN Executive Director, and NRLN President Bill Kadereit, hold a discussion on Pension Plan De-risking with members of the Senate Committee on Health, Education, Labor and Pensions.

advocated that the long-term funding of Social Security should be considered on its own and not become entangled in the deliberations on the debt ceiling and to reduce the nation's deficit. We opposed a proposal in the House to raise the age for full benefits to 69 for those who turn 62 in 2033. Now age 67 is for full benefits. The NRLN supported switching from CPI-W to CPI-E for the calculation of COLA. CPI-E is the Consumer Price Index for

Americans 62 years of age and older. While both CPI-W and CPI-E measure the same goods and services, CPI-E factors in around 11% of its index for healthcare cost. The CPI-W only counts 5.6% of the overall index as healthcare expenses.



Grace Banfield (center), Legislative Assistant for Rep. Dan Kildee (MI-08), listens to comments from Deb Morrisett, VP National Chrysler Retirement Organization (NCRO). (At right) Dana Oliver, NRLN Board Member, and NCRO General Counsel, and Kathleen Neal, NCRO Director. NRLN President Bill Kadereit and Alyson Parker, NRLN Executive Director, joined the meeting.

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Congress Should Do More to Reduce Price of Prescription Drugs: The NRLN lobbied for passage of the following bills: S.142, Preserve Access to Affordable Generics and Biosimilars Act



Max Seifert (left), Legislative Assistant for Rep. Lloyd Doggett (TX-37), engages in a conversation about Medicare Advantage plans with NRLN President Bill Kadereit, and Alyson Parker, NRLN Executive Director.

would prohibit brand name drug companies from compensating drug companies to delay the entry of a generic and biological drugs into the market. **S.127, Pharmacy Benefit Manager Transparency Act** would hold PBMs accountable for often deceptive practices that contribute to high drug prices for consumers. **S.2510, Rolling Active Pharmaceutical Ingredient and Drug (RAPID) Reserve Act** would require HHS to award contracts to quality generic drug manufacturers in the U.S. or a member of the Organization for Economic Cooperation and Development (OECD) to build and maintain reserves of critical drugs. We urged reintroduction and passage of the **Affordable Drugs from Canada Act** and/or **Safe and Affordable Drugs from Canada Act**.

Make Health Coverage Tax Credit (HCTC) Permanent: Congress failed to reauthorize HCTC in 2022 to help Americans ages 55-64 cover the cost of health insurance if they are retired and their pensions have been taken over by the PBGC, or if their job was outsourced abroad and they qualify for Trade Adjustment Assistance. We urged passage of **H.R.3912, Bob von Schwedler Permanent Health Coverage Tax Credit Expansion Act**, which would make HCTC permanent or at least pass **H.R.2914, Health Coverage Tax Credit Reauthorization Act of 2023**, which would reauthorize HCTC through 2027.

Pass the Susan Muffley Act to Restore Pensions for Delphi Salaried Retirees: The federal government picked winners and losers in the General Motors and Delphi auto industry bankruptcies of 2009. The Delphi salaried retirees were singled out to have their pension plan terminated and taken over by the PBGC. Union-represented GM and Delphi workers and retirees received their full earned pensions. There are 20,000 Delphi salaried retirees who lost up to 70% of earned pensions. We lobbied for the passage of the Susan Muffley Act to restore the terminated pensions, making the retirees whole. The restoration of the Delphi salaried retirees' pensions is not a bailout! It corrects wrongful government action. Passage would not set a precedent.



A View from Washington, DC More Chaos Than Usual in U.S. House

By Alyson Parker, NRLN Executive Director

When the NRLN Fly-In was taking place in Washington, DC, September 25-27, 2023, Representatives and Senators were focused on whether a budget deal could be reached by the end of the month to keep the government open.

On Saturday morning, September 30, many assumed the federal government was going to shut down at midnight. However, House Speaker Kevin McCarthy proposed a continuing resolution to keep the government open through November 17 by continuing 2023 funding levels. It passed the

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House 335-91, with more Democratic votes than Republican ones. The Senate passed the continuing resolution 88-9. President Biden signed the stopgap measure late Saturday evening.

On Monday, Rep. Matt Gaetz (R-FL-01) made a motion on the House floor to “vacate the chair” - essentially, a vote of no-confidence in McCarthy's speakership. On Tuesday, eight Republicans joined with 208 Democrats to oust Speaker McCarthy by a vote of 216-210. It was the first time in U.S. history that a House speaker had ever lost their job that way.

Possibly by the time you read this article the House will have elected a new Speaker. With the next budget deadline a few weeks away, it will be a challenge for the new Speaker to reach agreement on federal spending. A number of House Republicans are calling for massive spending cuts while more centrist members of the party look to fund their legislative priorities.

I think our Fly-In attendees gained a feel for the tension in the air over a possible government shutdown as they met with Congressional staff members. I want to thank our Fly-In attendees for their efforts to come to Washington, DC, the work they put in to gain appointments and develop an understanding of the issues the NRLN was advocating.

When our members go to Capitol Hill, it sends a message to House and Senate offices, that NRLN members want bills passed that are important to retirees' income security and healthcare.

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