Fast forward to 2012 and nearly 50 million Americans are receiving guaranteed healthcare benefits through the Medicare program regardless of their medical condition or income. This includes:

- 41 million Americans age 65 and above, and
- 9 million disabled Americans receiving Social Security benefits.

By the time the last of the baby boomers reaches age 65, it is expected that close to 80 million people will be covered through Medicare. Along with Social Security and Medicaid, Medicare is vital to our economic and health security in retirement or if we become disabled.

**Medicare: Saving Money, Saving Lives**

Over half of Medicare beneficiaries have annual incomes of less than $23,000 and savings of less than $53,000.

- Forty-five percent have three or more chronic conditions, and
- More than a quarter have a cognitive/mental impairment.

Having guaranteed health insurance coverage without regard to health status is particularly beneficial for members of minority groups. Two-thirds of African-Americans and Hispanics have incomes below $23,000, and communities of color have a higher risk than Caucasians for certain chronic conditions such as diabetes.

**Medicare’s Moving Parts**

A wide array of health care services is covered through Medicare Parts A, B, C and D:

- Part A covers hospital, skilled nursing facility, home health and hospice care. It is funded by the payroll taxes that we pay during our working years.
- Part B covers physician visits, outpatient visits, preventive services, and home health care. The government funds 75 percent of Part B costs and beneficiaries pay the other 25 percent.

- About 25 percent of Medicare beneficiaries elect to receive their coverage through Part C Medicare Advantage plans, such as private health maintenance organizations (HMOs).
- Help with the cost of prescription drugs comes through the Part D outpatient prescription drug benefit that is offered through private plans funded by the government and beneficiary premiums.

Medicaid, which also began in 1965, provides help with Medicare’s premiums and cost-sharing for over 20 percent of beneficiaries with low incomes and assets who qualify for both programs. It is also an important program for many middle-class Americans who exhaust their savings paying for long-term services and supports and rely on assistance from Medicaid.

**Medicare’s Future**

The Affordable Care Act improves care for Medicare beneficiaries and strengthens the Medicare program. Improved benefits include:

- The elimination of out-of-pocket costs for preventive screenings and services — such as screenings for cancer, diabetes, and other chronic diseases — and for annual wellness visits and personalized prevention plans.
- Discounts on prescription drugs in the Part D coverage gap known as the “donut hole,” which will be phased out by 2020.

The Affordable Care Act also offers new incentives for doctors, hospitals and other providers to coordinate care, 

continued on page 2
OBAMACARE is WORKING

After all that political gibberish about Obamacare, we find out once again that it’s doing good things. The Medicare trustees’ 2013 report says that the Affordable Care Act (ACA) has improved Medicare’s finances and has extended the solvency of the Part A Trust Fund another two years, to 2026.

Congress needs to stop wasting its time (and our tax dollars) with repeated attempts to repeal the ACA. Millions of Medicare beneficiaries are leading healthier lives now, thanks to preventive screenings that have no co-payments and decreasing costs for their prescription drugs. Medicare’s financing can be strengthened without shifting costs to beneficiaries by requiring Part D drug rebates, allowing the federal government to negotiate prescription drug prices and by putting people back to work!

The Affordable Care Act is making a difference not just in Medicare, but is also slowing the rising cost of health care for all Americans.

It’s Time to Govern!

As I sit back and watch what is happening in Washington D.C., I get more and more frustrated. I am amazed at the lack of cooperation in governing. The U.S. Senate has the obligation to vote on the President’s nominees to the federal court and to other branches of our government. Hundreds of very important positions remain vacant.

As of this writing, there are 82 vacant federal judge slots around the country, a level so high that many observers have deemed it a crisis situation. For more than a year, the National Labor Relations Board has been in limbo. Two of its five seats vacant and two others are being challenged in the courts. Gina McCarthy, the President’s nominee to lead the Environmental Protection Agency, is being held back because Republican members of the Environment and Public Works Committee boycotted a vote on her nomination. I could go on, but I think you have a picture of what is really going on in Washington.

Partisan extremism has gone much too far. It is apparent; the Republican senators are actually trying to bring government to a halt. They are doing all they can to handcuff this administration to make sure it cannot function.

Where is their patriotism?

The election is over. Barack Obama is our President and he must be allowed to lead. Our nation is in a crisis. We are slowly recovering from the worst recession since the Great Depression in spite of failed efforts of our elected representatives. Congress and the President must be able to work together to advance our nation. It is time to stop the partisan bickering in Washington and our representatives must do what they were elected to do, govern; to make and administer public policies for the public good.

Enough is enough!
Bob Adkins Appointed to SOAR Executive Board

On April 29, 2013, International President Leo W. Gerard appointed Bob Adkins to the SOAR Executive Board; to complete the unexpired term that became vacant upon Jack Casparriello’s appointment as Emeritus Member of the Board.

Bob began his work career in 1973 at INCO (later renamed Special Metals) in Huntington, West Virginia, where he retired in 2008, after 35 years of service. He was a member of USW Local 40 for 35 years, served as shop steward, grievance committee and was elected grievance chair a position he held for nine years. He was also elected and served as trustee for two terms and elected to the negotiating committee for three contracts.

Bob completed the four-year West Virginia University Institute of Labor Studies Course and was a delegate to the South West District Labor Council, with the West Virginia AFL-CIO from 1996 until present. He served one term as vice president and one term as president for the Council. In May of 2003, he was inducted into the West Virginia Labor Hall of Fame.

Upon retiring, Bob joined SOAR Chapter 8-23-4 and was soon elected as chapter recording and financial secretary. He presently serves as recording secretary. In 2010 he was appointed as the West Virginia SOAR coordinator in District 8 and in 2012 he was appointed to serve as temporary acting board member for District 8.

Bob serves as secretary of the Huntington Municipal Development Authority and as vice president of the West Virginia Alliance for Retired Americans. He also serves as trustee for the Special Metals Hourly Employees Voluntary Employees’ Benefits Association (VEBA).

SOAR Director Meets with Newport News SOAR Chapter

June 8, 2013: SOAR Director, Jim Centner attended an organizing tea/fellowship meeting hosted by Chapter 35-1. In an effort to expand its membership the chapter hosts teas periodically to reach out to their fellow retirees to explain the benefits of joining SOAR. Jan Hooks, president of the Chapter, kicked off the event and introduced Linda Kindred, Chapter vice president who chaired the meeting.

Director Centner addresses the group on the important role SOAR plays within the retirement community as well as our union. He discussed the current climate in Washington, D.C., reminding them that their retirement security and quality of life are under attack. He urged them all to stay involved and to reach out to their fellow retirees to join their chapter.

The members also heard from USW Staff Representative Bill Harriday. He updated the members on what is happening in the shipyard and stressed the importance of staying involved in the union as retirees. He pledged his continued support of their organizing efforts and offered his assistance as they continue to grow.
The Alliance for American Manufacturing has a full plate as we move into the summer of 2013. It’s all about maintaining and creating more jobs in America and here’s how we’re doing it.

**Japanese Currency Manipulation**

We just finished work on a letter to President Obama about the Trans-Pacific Partnership Trade Agreement (TPP), signed by an amazing 230 Members of Congress. This letter was promoted by a number of “fair trade” groups that are concerned about the impact of including Japan in the TPP trade agreement, if it continues to manipulate its currency. Domestic auto parts manufacturers are particularly at risk from such unfair trade practices. On seeing the letter, the United States Trade Representative Officer remarked that they couldn’t recall seeing a letter from Congress with that kind of support. Write to President Obama; ask him to address currency manipulation in the TPP.

**Chinese Currency Manipulation**

Japan is not the only country using this tactic, China’s undervalued currency gives it’s manufacturers an advantage over American producers. We are working to pass legislation to give Congress and the President a way to push back on these unfair subsidies. In the 112th Congress, a coalition of “fair trade” advocates passed a bill in the U.S. Senate and got 235 Members of Congress to co-sponsor a similar bill in the House. Sadly, Speaker Boehner blocked this bill from coming up for a vote. But we’re not giving up. The “fair trade” folks have re-introduced currency manipulation bills in House and Senate. The House Bill is H.R. 1276, Currency Reform for Fair Trade Act of 2013 (Levin/Murphy). The Senate Bill is S. 1114, Currency Exchange Rate Oversight Reform Act (Brown/Sessions). Call your Senators and Representatives; ask them to co-sponsor these bills.

**Buy American**

Another way we can create jobs is to make sure our government, at both the federal and state levels, purchases as much as possible from American producers. H.R. 949, Invest in American Jobs Act (Rahall), would strengthen the existing Buy American laws at the federal level and close loopholes that allow our tax dollars to head overseas. In addition, AAM is encouraging state legislators to pass Buy American legislation. Already this year, some 22 states have considered Buy American bills across the country. Tell your Governor and state legislators to strengthen Buy American provisions in your states’ procurement law.

**Critical Military Components**

In May, AAM issued a 300-plus page report from Brigadier General John Adams (U.S. Army, Retired) that detailed the critical parts of our national defense weapons programs that have been contracted offshore. The report, available at “americanmanufacturing.org,” calls on the Defense Department and Congress to take a hard look at the risks to our national security from outsourcing our defense industry. Bringing production back home will ensure we have the parts and equipment we need to face future conflicts and keep America safe.

**The Bridges of New York**

Another major bridge project is using steel from China, this time in New York City. AAM is working closely with the United Steelworkers in District 4 to challenge the decision by New York’s Metropolitan Transit Authority to rebuild the Verrazano-Narrows Bridge with Chinese steel. It is outrageous that iconic American bridges cannot be repaired with domestic steel. There are three other bridges between New York and New Jersey scheduled for rebuilding, and we want them built with American steel as well. China has never made this kind of steel before and, as happened to the San Francisco-Oakland Bay Bridge, inferior quality and delivery problems will likely wash away the few dollars saved up front. Call New York or New Jersey legislators and governors. Tell them all American bridges must have all American steel!

There is a lot more in the pipeline at AAM and we need your calls and support to make sure our government meets our expectations for sound decisions, good jobs and a revitalized manufacturing sector. Thanks for all your help, 2013 looks like another year we “up our game.”
The consumer price index (CPI) is a formula used to make cost-of-living adjustments in programs such as Social Security and veterans’ benefits. Right now in Washington, there is an effort underway to use a new formula to calculate inflation that is stingier than the current one. It is called the "Chained CPI." It is a cut to Social Security and it is a big problem for seniors’ bottom line.

**What is the Chained CPI?**

The Chained CPI measures living costs differently than the current formula. It assumes that when prices for one thing go up, people sometimes settle for cheaper substitutes. For instance, if a name brand cereal goes up in cost, the assumption is that people would opt for a less-expensive store brand. But, many seniors on fixed incomes are already choosing the less expensive options, and some costs, like health care, cannot be easily substituted. Seniors currently spend a significantly larger percent of their incomes on health care. Those costs have been rising faster than inflation. As the Alliance for Retired Americans’ fact sheet on the Chained CPI points out, “A senior cannot just substitute triple bypass surgery with a double because it’s cheaper.”

**Chained CPI = Less Money for Seniors**

Cost-of-living adjustments would be lower with the Chained CPI than with the current CPI. So depending on which formula is used, the amount of your Social Security payments could change at a time that benefits are already modest for most recipients. If Chained CPI is used for someone who is 62 and takes early retirement this year, by age 92, they would lose a full month of income every year.

A recent National Institute for Retirement Security report shows that right now approximately 80 percent of working families have retirement savings totaling less than their annual income. As a result of employers cutting back on retirement benefits, the recession, its prolonged recovery and stagnating wages, and we have a retirement savings crisis. This is the time that we need to strengthen Social Security, not weaken it through a Chained CPI.

**Social Security Does Not Need Cuts**

Social Security is not the problem. The Social Security trust fund can pay out full benefits for at least two more decades and can continue to pay out a significant percentage of benefits after that. If we want to ensure it is fully solvent for a very long time to come, there’s an easy fix — just lift the ceiling on income subject to Social Security taxes, which is now $113,700.

In April of this year, 700 Rapid Response activists headed to Capitol Hill to tell lawmakers to protect Social Security, Medicare and Medicaid during the Rapid Response and Legislative Conference. Pictured below, the delegates are gathering their facts and material to tell their lawmakers that the Chained CPI is not the answer.

**What Can You Do?**

Call Congress by dialing the Capitol Switchboard at 202-224-3121. Ask to be connected with your Members of Congress. Tell them to reject this shortsighted change and instead find responsible ways to address our nation’s budget challenges. Tell them to say NO to Chained CPI and to protect Social Security.
Corporate Power and the Supreme Court

I am sure, like me, many of you are being constantly bombarded with fundraising requests from our elected representatives and potential candidates for office. Today, campaign funding is never-ending. No breathers between elections and election cycles have disappeared.

The ongoing, never-ending campaign fundraising drives raise more and more funds as each party seeks the advantages that money influences. The Supreme Court’s split decision (5-4), gave the headquarters of business, industry and unions equal standing with humans to provide more avenues for campaign funding. President Obama has asked the court to reverse that decision. Unfortunately, there has not been a response.

Poll after poll indicates the lack of public support of the Supreme Court decision. The new source of campaign revenue was viewed, among other reasons, as an additional way to buy a candidate’s allegiance. Unfortunately, legislators cannot overturn the Supreme Court decision because the decision is based on our First Amendment rights. However, laws can be enacted that can change or modify corporate giving. For example, Senator Charles Schumer (D-N.Y.) and Representative Chris Van Hollen (D-Md.) introduced the Disclosure Act. This act requires additional disclosure of corporate campaign expenditures, prohibits U.S companies with 20 percent or more of foreign ownership and most government contractors from making campaign contributions. The Senate narrowly missed voting on the bill by a unified Republican cloture vote of 59 against bringing the bill to the Senate floor. Other proposals were offered as well without success.

The Supreme Court was wrong with this decision. Nowhere can it be found, not in the Federalist Papers, the Bill of Rights or our Constitution, that a corporation has the same rights and standing of a citizen. The old saying, money is the root of all evil, seems to be playing out here. The purchasing of the legislative process and control of the White House by corporate deep pockets must be banned. Ask yourselves, where the money is coming from that will harm the recipients of Social Security, Medicare and Medicaid. It is not from the people. Corporate interests and Wall Street bankers are the root of this evil!

By Ken Kovack
SOAR Legislative Director
Washington, D.C.
**Why I am Proud to Be Union**

*By Barbara J. Easterling*

As we approach Labor Day, I worry that too many young people do not understand and support labor unions. With so many politicians and TV commentators bashing unions, their lies get told so often that people believe they are true. In my opinion, union retirees are in a unique position to explain to younger generations just how important unions are for workers and our country.

We have an opportunity to tell people how, from our experience, a union is the only way workers can earn good wages and be treated with respect and fairness on the job. There is just too much pressure today for management to cut all the wrong corners on safety and customer service and how they treat their workers. Without a union, there is not much to stop them.

Long before Coal Miner’s Daughter became the name of a hit movie, it was the story of who I am and how I was raised. I grew up hearing about life in the mines and about workers standing together for what was right. But today, far fewer people grow up learning about unions. Without these personal stories being shared, people are much more likely to believe what they hear on TV or the Internet.

This year, let’s make Labor Day more than a chance for a backyard barbecue. On Labor Day, and every day, our generation must help explain why we must all stand together to make life better for people of all ages.

*Barbara J. Easterling is president of the Alliance for Retired Americans. She was previously the secretary-treasurer of the Communications Workers of America. For more information, visit [www.retiredamericans.org](http://www.retiredamericans.org) or call 1-800-333-7212.*

---

**THEN AND NOW**

*The Cost of Consumer Goods — 2005 compared to 2013*

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>January 2005</th>
<th>January 2013</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fuel oil (per gal.)</td>
<td>$1.85</td>
<td>$3.84</td>
<td>+107%</td>
</tr>
<tr>
<td>Gasoline (per gal.)</td>
<td>$1.86</td>
<td>$3.40</td>
<td>+82%</td>
</tr>
<tr>
<td>White bread (per lb.)</td>
<td>$0.99</td>
<td>$1.42</td>
<td>+43%</td>
</tr>
<tr>
<td>Ground chuck beef (per lb.)</td>
<td>$2.47</td>
<td>$3.40</td>
<td>+38%</td>
</tr>
<tr>
<td>Fresh whole chicken (per lb.)</td>
<td>$1.02</td>
<td>$1.49</td>
<td>+47%</td>
</tr>
<tr>
<td>Grade A eggs (per dozen)</td>
<td>$1.21</td>
<td>$1.93</td>
<td>+59%</td>
</tr>
<tr>
<td>Whole milk (per gallon)</td>
<td>$3.30</td>
<td>$3.52</td>
<td>+6%</td>
</tr>
<tr>
<td>Apples (red delicious per lb.)</td>
<td>$0.96</td>
<td>$1.35</td>
<td>+40%</td>
</tr>
<tr>
<td>Navel oranges (per lb.)</td>
<td>$0.83</td>
<td>$0.99</td>
<td>+19%</td>
</tr>
<tr>
<td>Bananas (per lb.)</td>
<td>$0.48</td>
<td>$0.60</td>
<td>+25%</td>
</tr>
<tr>
<td>Orange juice (per 12 oz. frozen concentrate can)</td>
<td>$1.87</td>
<td>$2.51</td>
<td>+34%</td>
</tr>
<tr>
<td>Electricity (per kWh)</td>
<td>$0.09</td>
<td>$0.12</td>
<td>+33%</td>
</tr>
<tr>
<td>Coffee (per lb.)</td>
<td>$3.04</td>
<td>$5.90</td>
<td>+94%</td>
</tr>
</tbody>
</table>

Our cost of living continues to escalate yet those in Washington want to reduce the minimal cost-of-living adjustment that Social Security recipients receive. In 2013, based on the current Consumer Price Index (CPI) the increase will be 1.7 percent. Under the proposed Chained CPI, that increase would be 1.6 percent. That doesn’t seem like much, but over time the difference between the current CPI and the Chained CPI would snowball to the point that you’ll lose more than a thousand dollars a year in benefits.

---

**Social Security Trustees Issue Annual Report**

Since its inception, Social Security has been the foundation on which America’s retirement security rests. It has demonstrated its strength by paying benefits without interruption in good times and bad, during periods of recession and disaster, and during recovery and healing. The program’s strength is demonstrated yet again in this year’s Trustees Report, which reflects the resilience of the Trust Funds. The report is good news for working Americans and for seniors.

**Here are the highlights:**

- Social Security remains strong, and will be able to pay full benefits for decades to come — until 2033, as was true last year. Thereafter, there will still be enough revenue coming into the program to pay 77 percent of all benefits owed.
- Social Security remains well-funded. With the economy showing signs of recovery, the Trustees estimate that, in 2013, Social Security’s total income will exceed its expenses by over $28 billion. In fact, the Trustees estimate that total annual income is expected to exceed program obligations through 2020.
- The Trustees report there is now nearly $2.73 trillion in the Social Security Trust Fund, which is $54 billion more than last year and that it will continue to grow by payroll contributions and interest on the Trust Fund’s assets.
BIG NEWS FOR UNION MEMBERS

EARN UNLIMITED 1.5% CASH REWARDS ON EVERY PURCHASE

Get the full details at UnionPlus.org/New or call 1-800-522-4000