

# The Retiree **ADVOCATE**

The Monthly Publication of  
**PSARA EDUCATION FUND**  
“Uniting Generations for a Secure Future”

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May 2015

A Values-Based  
Operating Budget  
Comes First  
By Jeff Johnson  
Page 9

## The 2016 Election and Social Security

By Nancy Altman

In the wee hours of a morning in early April, when most people were sleeping, the Senate took a vote that has momentous implications.

Just before recessing until April 13, the Senate passed a budget resolution. Prior to final passage, it voted on three separate Social Security amendments. Sen. Bernie Sanders (I-Vermont) offered an amendment protecting all Americans against cuts in their Social Security earned benefits. Sen. Orrin Hatch (R-Utah) offered an amendment only protecting current beneficiaries from cuts. And around 2:30 a.m., Sen. Elizabeth Warren (D-Massachusetts) offered an amendment advocating the expansion of Social Security.

The results were revealing and important. Every Democratic senator who was present but two voted to expand Social Security. Every Democratic senator but one voted against cutting Social Security's modest benefits.

*Continued on Page 10*

## One Thing You Can Do Now

By PSARA's Long-Term Planning Committee

Coming up very soon on Tuesday, May 5, is one BIG day when you can do something simple and concrete to help move our work forward. If you believe in the work of Puget Sound Advocates for Retirement Action, please consider making a tax-deductible donation to the PSARA Education Fund, our nonprofit, tax-exempt 501(c)(3) organization, through the 24-hour online giving program called “GiveBIG” sponsored by The Seattle Foundation.

If you already use the internet and use your credit card to do online shopping or make donations on websites, this will be easy for you to do. (If not, don't worry—it is easy!)

One big reason to make an online credit card donation during this 24-hour period is that The Seattle Foundation, through the generosity of other donors, will provide a partial match of funding. Basically, this is “extra money” that we otherwise wouldn't get. So every dollar you give will bring us additional support! Every donation of every size will make a difference. If you have been meaning to make a contribution above and beyond your annual membership, this is a good time to do it!

What to do: From 12:01 a.m. to 11:59 p.m. on May 5, go to The Seattle Foundation website: [www.seattlefoundation.org](http://www.seattlefoundation.org)

1. Click on GiveBIG and look for “find participating organizations now”-- click on the colored “Search Nonprofits” button.
2. Under “Search our database of nonprofit organizations”-- enter PSARA Education Fund.
3. Click on the “magnifying glass.”
4. Click on “donate now.”
5. Fill out the requested information on the online donation form, and click “submit.”

Thank you for supporting the work to make this a better world for all of us and our future generations.

## Medicare Access and CHIP Reauthorization Act of 2015

By Congressman Jim McDermott

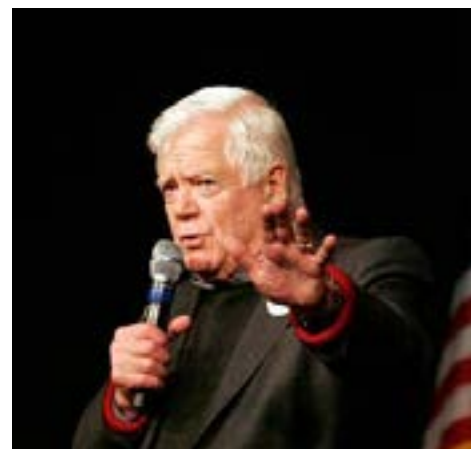
On April 16 the President signed into law the Medicare Access and CHIP Reauthorization Act of 2015 (“MACRA”). This legislation breaks a dysfunctional cycle that for too long has threatened the Medicare program with cuts that would jeopardize the health security of American seniors.

As progressives who care deeply about Medicare, we need to have a thoughtful discussion of what this legislation does and what it represents for our healthcare system. In many ways,

MACRA is a historic achievement that shows that Congress is still capable of working constructively to solve a stubborn problem. But the bill is not perfect, and it reflects the spirit of compromise that is inherent in the legislative process.

To truly understand MACRA, we have to be mindful of its history. In 1997, a Republican Congress enacted the Balanced Budget Act, which contained a

*Continued on Page 11*



## The Retiree ADVOCATE

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# \$15 is Just the Beginning!

Photos by Garet Munger



On April 17, more than 1,000 people marched through downtown Seattle and up to Capitol Hill to bring the message "\$15 is just the beginning!"

Seattle's new minimum wage ordinance took effect April 1, but the fight continues to raise the statewide minimum and to enforce Seattle's ordinance.

At Seattle University, marchers occupied the Albers School of Business to demand that SU count the ballots of adjunct faculty who are organizing a union. In spite of the fact that the NLRB-sponsored secret-ballot election has already taken place, the university will not allow ballots to be counted.



At the conclusion of the march, 21 protestors sat down in the intersection of 12th Avenue and Madison Street, blocking rush-hour traffic. All 21 were arrested, including PSARA President Robby Stern.

The fight for a \$15 per hour minimum wage is important not only because workers need decent wages, but also because higher wages mean more money going into the Social Security Trust Fund and a more secure future for all.



# Changes to Medicare Signed into Law

By Robby Stern

One of the most significant Medicare bills in decades just became law. Every Washington Representative voted in favor of H.R. 2, “The Medicare Access and CHIP Reauthorization Act of 2015” with the exception of Rep. Adam Smith who did not vote. Both of our U.S. Senators also voted for the bill and the President has signed it.

The Congressional Progressive Caucus voted for the bill. Families USA, The Center for American Progress, The Center for Budget & Policy Priorities, SEIU, American Nurses Association, and a whole raft of medical associations supported the legislation. I was told by my contact at the Center for Medicare Advocacy that AARP first opposed the legislation and in the end supported it. Meanwhile, the Tea Party organizations and the ultra-conservative magazine American Spectator hated the legislation for a variety of reasons I will not enumerate here.

Nancy Pelosi joined hands with Speaker Boehner talking about “bipartisan compromise”. Speaker Boehner spoke of H.R. 2 as one of the most significant “entitlement” reforms in decades. What was the compromise and what is it likely to mean in the long term?

When trying to understand what is going on with Medicare policy, I turn to the Center for Medicare Advocacy (CMA), the equivalent of Social Security Works (SSW) in terms of Medicare policy but not nearly as influential politically as SSW. While there are a number of nationally influential organizations that serve on the Board of Social Security Works, from what I can tell, the Board of CMA are individuals who support progressive Medicare policy but do not have nearly the political clout.

After researching this legislation for the last several weeks, I am fairly certain that it will have the long-term impact of continuing the process of undermining traditional Medicare, one of the best hopes for universal health care in our country. I believe some of its provisions

will drive a larger proportion of future Medicare recipients into the privatized Medicare Advantage programs.

There were some significant sweeteners in the legislation. The driving force for H.R. 2 was the repeal of the flawed SGR formula for determining payments to physicians. Everyone agreed, including critics of H.R. 2, that the SGR formula was a bad method for determining provider reimbursements. The SGR formula was part of the Balanced Budget Act of 1997. It was a cap on aggregate spending on physician services which led to recurrent last-minute crises. H.R. 2 applies a new and controversial payment system known as “merit-based incentive payment system” (MIPS) which is, as yet, untested. It is based on the principle that levels of reimbursement should be based on quality of the care provided.

I am not ready to pass judgement on this effort to pay for quality. It might be a step forward and then again it might be an administrative nightmare providing lots of opportunities to game the system. I do know that the previous system of paying per procedure created incentives to order tests and procedures that were sometimes unnecessary. I am glad the SGR formula is no longer being used but worry about what they have decided to use to replace it.

The SGR fix is projected to cost \$70 billion over 10 years and \$35 billion of that will come from Medicare beneficiaries including changes that increase out-of-pocket costs by adding deductibles to Medigap plans purchased in the future, further means-testing premiums for higher-income beneficiaries, and overall increases to Part B premiums.

A big sweetener was that the legislation extends the Children’s Health Insurance Program for two years, which is obviously a good thing, although advocates hoped for a four-year rather than a two-year extension. It also extends funding for community clinics that was part of the Affordable Care Act for an additional two years.



There are two provisions of the legislation which most concern me because I believe they will create even more incentives for Medicare recipients to abandon traditional Medicare and enroll in Medicare Advantage plans, further privatizing the Medicare social insurance system.

Currently, Medigap Plans C and F cover the deductibles that are part of Medicare Part A and B. The Medigap provision in H.R. 2, which takes effect in 2020 for new Medicare enrollees, will eliminate the ability of Medigap plans C and F to cover Part A and Part B deductibles. You can be sure that Medicare Advantage Plans will utilize this provision to entice an even higher proportion of enrollees into private Medicare. It will weaken the traditional Medicare program and strengthen the private insurance market.

As a Medicare recipient, I am in the traditional Medicare program. I purchase a Medigap plan F policy and Medicare Part D prescription drug coverage. Beginning in 2020, the Medicare Advantage plans will be able to develop and promote no- or low-deductible products to new Medicare recipients and continue advertising one premium for all services including prescription drugs. With Medicare Advantage plans

*Continued on Page 11*

## Long-Term Care: Why the Government Must Step Up

By Mike Andrew

Adding a long-term care benefit to Medicare is one of the most important issues PSARA raised in the context of the White House Conference on Aging. There was no commitment from federal officials to do so, but there really is no alternative to the federal government stepping up and covering long-term home health care.

Let's look at the numbers.

According to the US Department of Health and Human Services, 70% of Americans who are 65 today will need long-term care before they die.

But care is expensive. Insurance industry studies show that the average cost of home health care in the Puget Sound region works out to \$28 per hour, or \$980 for a 35-hour week, \$50,960 for a year of care.

Seniors who need extra care can expect to pay more. Assisted living costs an average of \$5,000 per month, and could cost as much as \$8,750. Nursing home care averages \$276 per day and could go as high as \$349.

Puget Sound, by the way, is more expensive than the national average, but few local seniors have the option – or the desire – to move to Mississippi or Alabama to find less expensive home care.

As currently set up, Medicare will pay for skilled nursing care and physical therapy in the patient's home as they recover from disease or injury, but Medicare will not pay for home health aides to assist seniors with day-to-day tasks – getting into and out of bed, cooking, cleaning, and getting regular exercise. Medicaid will kick in only when seniors have exhausted their own resources, and even then, it is designed mainly to assist people who are not capable of living in their own homes.

But many seniors lack the resources to pay for necessary home care themselves. A recent federal survey found that median household income for

*Continued on Page 8*

## Senate Fails Women and Families

By Marilyn Watkins

On April 1st, Senator Michael Baumgartner (R-Spokane) cancelled a meeting of the Washington Senate Commerce and Labor Committee which he chairs. Since April 1st was the legislative "cut-off" deadline, that means that the equal pay, paid sick days, and minimum wage bills heard in his committee are essentially dead for this year.

But all of this year's bills can be reconsidered again, starting next January. The Washington Work and Family Coalition will be working hard in the meantime to be sure that all of our priorities are priorities for our legislators in 2016.

And you can help send them the message.

Women deserve equal pay whether they live in Spokane or Seattle, Yakima or Grays Harbor, Bellingham or Vancouver. Yet we heard in testimony Monday that employers across the state impose wage secrecy policies, so no one knows if some co-workers are getting paid more than others for the same work. And managers in high tech companies, grocery stores, and hospitals use their discretion – and assumptions about gender roles – to more often recommend men for promotion and assign them to higher paying departments. That is why we need to pass the Equal Pay Opportunity Act.

We also know that everyone gets sick, but 1 million workers in Washington get no paid sick leave, and even more are discouraged from using the sick leave they've earned. Every day in every school district in our state, sick kids are waiting miserably at school because no adult in the family can leave work to pick them up. Children as young as 9 or 10 are missing school to stay home with their sick younger siblings because their mom can't risk missing another day of work.

The Washington State Board of Health, in a comprehensive health impact review of House Bill 1356 establishing Paid Sick and Safe Leave, concluded: "Evidence indicates that HB 1356 has potential to improve financial security; decrease the transmission of communicable disease; improve health outcomes; and to decrease health disparities by income, educational attainment, race/ethnicity, and geography."

Meanwhile, with over 20 U.S. jurisdictions now requiring paid sick leave, including Seattle, Tacoma, and Portland, we know that businesses thrive with healthier and more productive workers and more financially stable customers.

And we haven't forgotten Family and Medical Leave Insurance, which "died" in the legislature a few weeks ago. No one should have to forego needed surgery or drag themselves back to work before they've fully healed because they don't have enough paid leave. Our elders should have family surrounding them through serious illnesses and during their final weeks of life, whether they're part of the 1% or the 99%.

Every baby born or adopted in our state deserves several months of uninterrupted, unstressed time with their parents while their little brains and bodies are developing most quickly. We know from states with universal paid family and medical leave programs already in place that babies and moms are healthier if both moms and dads take longer leaves from work, fewer families are forced to rely on public assistance, and more moms are employed and for higher pay a year following childbirth.

Equal pay, paid sick days, and paid family and medical leave are all simple concepts that the vast majority of voters support – whether Democrat, Republican, or Independent, whether they live in a big city or not. The Washington Work and Family Coalition will continue fighting for these policies.

Let your elected officials know that you will, too.

*Marilyn Watkins is Policy Director at the Economic Opportunity Institute and a member of PSARA.*

# Activists Influence WHCoA Seattle Regional Forum

By Steve Kofahl, President of AFGE 3937 and member of PSARA's Executive Board

Starting in 1961, and approximately every 10 years since then, U.S. Presidents have convened **White House Conferences on Aging (WHCoA)** to address federal policy and program issues for the next decade. A number of important laws and programs grew from seeds planted at these Conferences, such as the 1965 Older Americans Act (OAA), Medicare, Medicaid, and Supplemental Security Income. President Obama called for a 2015 WHCoA in his 2014 budget request, as well as for re-authorization of the OAA that has funded all Conferences since the enactment of that law.

Although the OAA has still not been re-authorized, planning and listening sessions have proceeded over the past year, with financing provided primarily by AARP, and co-sponsorship by the Leadership Council of Aging Organizations. The WHCoA scheduled Regional Forums in Tampa, Phoenix, Seattle, Cleveland, and Boston for invited individuals to provide input. Breakout sessions dealt with Healthy Aging; Long-term Services and Supports; Financial Exploitation, Abuse, and Neglect; and Retirement Security.

PSARA activists and our labor and community allies had a disproportionately strong impact among the 200 or so participants in Seattle on April 2, with our primary focus on Retirement Security. Aware that those attempting to discuss Social Security and Medicare expansion in Tampa faced strong resistance and left frustrated, we met a few days ahead to discuss goals and strategies, and contacted our elected representatives who would speak at the Forum, to let them know what we hoped to hear from them.

WHCoA Executive Director Nora Super, Labor Secretary Thomas Perez, Senator Murray, and Representatives McDermott and DelBene, were among those who spoke to open the Forum. We were pleased that Suzan DelBene promoted "scrapping the cap" in her remarks.



*WHCoA Executive Director Nora Super meets with community and labor leaders at Washington State Labor Council headquarters. (Photo: Garet Munger)*

Several panel discussions followed, addressing the subjects of the breakout sessions to be held that afternoon. Following each panel, a few questions submitted in writing by some of the 200 participants were directed to the speakers and panelists. Our preparation paid-off, with questions from two of our PSARA Executive Board members selected.

Robby Stern asked whether the WHCoA would consider/support creation of a long-term care benefit in traditional Medicare, lower the Medicare eligibility age to bring in a healthier cohort and reduce per capita costs by allowing the federal government to negotiate prescription drug costs. Jackie Boschok asked whether the WHCoA supports protection and expansion of defined benefit pensions, given that defined contribution plans have proven to be failures as replacements because of two problems: low wages which make saving very difficult if not impossible, and volatile markets. We were disappointed, but not particularly surprised, that there were no straight answers provided to either question.

At the afternoon Retirement Security breakout session, we spread out among the tables to make sure that scrapping the cap and expanding benefits (not "improving" them, because to some that could mean cuts) got plenty of attention. We injected significant

discussion of the underlying causes of insufficient retirement income, such as reductions in defined benefit pensions, stagnant wages, low pay for women, and the failure to enact comprehensive immigration reform. We offered as solutions a hefty minimum-wage increase, real income growth among those in the working class and middle class, more union organizing, and the benefit expansions outlined in "Social Security Works," the recently-released Nancy Altman/Eric Kingson book. Although there were a few participants who disagreed, we had support from a solid majority of those present.

At the general session that closed the day, several of us had opportunities to reinforce our messages or introduce new ones by speaking from microphones on the floor.

On Friday, April 3rd, Nora Super, Executive Director of the White House Conference on Aging, met with 45 community and labor leaders at the Washington State Labor Council Office to gather additional input. The meeting was arranged jointly by the national office of Caring Across Generations, Washington CAN! and PSARA.

The message we delivered was consistently and forcefully progressive: expand Social Security and Medicare benefits, no privatization, address the

*Continued on Page 10*

# SAVE THE DATE



**Social Security's 80<sup>th</sup> and  
Medicare's 50<sup>th</sup> birthday!**

**WESTLAKE PLAZA • 8/8/15 • 1 PM**

# ***PSARA SUMMER MEMBER MEETING and POTLUCK***

***Wednesday, June 17 – Noon to 3 p.m.  
Machinist District Lodge 751 Hall, 9125 15<sup>th</sup> Place S.***

***Please Join Us for Our Summer Potluck and Meeting:***

- 12:30 p.m. Potluck lunch and socializing***  
***1:00 p.m. Speaker: Nick Licata, Retiring Seattle City  
Council Member***  
***1:30 p.m. PSARA business meeting including  
discussion of Long-Term Planning for  
PSARA'S future***

***We are fortunate that Nick Licata has worked diligently to help make Seattle a progressive leader among large cities. We will hear his comments about work done and yet to do, and we can tell him how much his leadership has meant to Seattle residents.***

***RSVP:*** Please let us know 1) if you can be there, 2) if you can bring a main dish, salad, fruit, dessert, or soft drink for the potluck, and 3) if you need help with a ride. Let us know by calling the office: 206-448-9646 or e-mail: [adminvp@psara.org](mailto:adminvp@psara.org).

***Bus and Parking: Ample parking is available in the Machinists lot and surrounding streets. Now that the South Park Bridge is open again, you can drive there directly from East Marginal way, turning west on 16th Avenue S. which, after passing the South Park Bridge, becomes 14th S. and goes directly to the Machinist Hall.***

***Metro Transit Bus route #132 from downtown to one block from IAM Hall.  
Route #60 from Broadway & Republican to 3 blocks from the Hall.***

## Long-Term Care

*Continued from Page 4*

people ages 55-64 – in other words, workers who will be retiring in the very near future – was \$55,000. For the households that had retirement savings, the median amount saved was \$100,000, but half the households don't have savings at all.

In other words, those people who even had retirement savings have saved enough to pay for only about two years of home health care – if they pay for nothing else!

Although women tend to live longer than men, they earn less and will have saved less when they retire, meaning they will be burdened even more than men by the costs of long-term care.

Similar wage disparities also burden working people of color, who accumulate far less wealth over their working lifetimes than their white co-workers do.

My mother gets survivor benefits from my father's pension plan as well as Social Security, but pensions are no longer a resource available to most working people. According to the Bureau of Labor Statistics, only 13% of non-unionized private sector workers will get defined benefits pensions, the way my father did when he retired in 1985.

The situation is better for union members (67% will get pensions) and public sector workers (78%), but there are still many workers who will be unable to rely on the resources my mom counts on.

Gay and lesbian workers who are ready to retire will get no survivor benefits – regardless of whether they are members of a union or not – because until very recently we were prevented by law from marrying our partners.

Although many workers are now enrolled in 401(k) plans, these have proven to be a poor substitute for defined benefit pensions.

In other words, the federal government must step up and cover long-term care to provide secure and healthy lives for seniors.

## OURWalmart Got 500,000 Workers Raises!

### A historic victory for all workers

*By Kristen Beifus, UFCW 21 Community Organizer and PSARA Executive Board member*

**O**n April 1st, Walmart associates around the country will start earning a minimum of \$9/hr. In some states that means an increase of \$1.75 per hour, as we know the federal minimum wage is only \$7.25/hr. Then early in 2016, minimum wage at Walmart will go up to \$10/hr, essentially the federal minimum wage that President Obama is proposing. That is not all. Walmart also announced that workers can use their sick days on their first day sick, have more predictable schedules, and have expanded opportunities for trainings and career opportunities at Walmart.

Did the world's largest employer suddenly realize that its business model predicated on suppressing wages and making products as cheap as possible was impoverishing its workers? Did they finally notice that gross understaffing, leading to empty shelves and unhappy customers, was the cause of their falling profits? Or did the Walton Family, which has more wealth than almost half of the people in the U.S. combined, decide that they just didn't need any more?

We have one word for you: OURWalmart! In Washington State Patricia Scott is a fearless OURWalmart leader in Federal Way, who has put herself and her job on the line countless times to advocate for change.

Here what she has to say about Walmart's announcement:

*"In the 16 years I have worked at Walmart, I participated and led many actions and took part in numerous strikes to help raise pay for all Walmart associates. It is because of our dedication to fairness and respect in the workplace that Walmart has now promised to raise the wages for its lowest-paid workers. This is good news; however, we are cautious because Walmart has made promises in the past and then not kept their word. We hope this time is different. Time will tell.*

*"This win did not directly affect me, because after 16 years, I make just over \$15. However, I believe that this is just the beginning and that we will win pay increases for everyone at Walmart."*

Since the announcement, Pat has been explaining to her colleagues what the announcement means for them in real terms, and in the process she has recruited even more members to OURWalmart.

*"Every day, I work with my colleagues to stand up for themselves and their families. Fear has kept many of them quiet, but I tell everyone what my parents taught me: #1. If you don't stand up for yourself, who is going to? and #2. "Fear" is just a 4-letter word, standing for False Evidence Appearing Real.*

*"We are fired up and ready to fight for a better tomorrow. I plan on retiring in about four years, and I want all associates to be strong enough to keep fighting for what is right and what they need, KNOWING they will NOT get retaliated against. We already showed that by standing up for ourselves, we can win, so there is no way we are sitting down until Walmart is a good place to work for all workers."*

**Celebrate this victory, and roll up your sleeves to stand with Pat and OurWalmart to make sure that this is only the beginning!**

*PSARA joined OURWalmart and other labor and community allies at the Lynnwood Walmart last June to demand fair treatment for workers. Workers and community allies are fighting together for a better future for all of us. (Photo: Garet Munger)*





# Values-based operating budget comes first

By Jeff Johnson, President of the Washington State Labor Council and a PSARA member  
Reprinted from *The Stand*, [www.thestand.org](http://www.thestand.org)

*Sine die* literally means to adjourn without assigning a day for further meetings or action. The Washington State Legislature had their regular session *sine die*, but the work is not done. So we go into extra innings, overtime, or a Special or Extraordinary Legislative Session at a time determined by the governor.

We do this a lot. In fact, 18 times so far in this century. This should not be surprising. Negotiating a budget, or three, is difficult work. It becomes more difficult when there are wide ideological chasms between the negotiators.

One thing, however, is clear. The Washington State Supreme Court has held the state in contempt over funding for basic education and mental health. The court has ruled that the state is not meeting our basic education needs and that we need to significantly increase our funding forthwith.

What is less clear is what actions the Supreme Court can take if an operating budget is approved that continues to fail our basic education obligations. Can the court make the whole budget null and void? Parts of the budget? Eliminate tax exemptions? Withhold legislators' salaries? Hopefully, we won't have to find out.

Passing meaningful transportation and capital budgets should be pretty straightforward.

Both the House and the Senate transportation proposals, minus ideological hang-ups (more on that in a moment) come in at about the same size and cost. Both budgets invest in the maintenance and preservation of our roads and bridges, complete major economic corridors, fund a new ferry and freight mobility, and invest in mass transit, safe streets, and storm-water clean-up.

One difference in funding is the Senate's use of sales tax on transportation projects. In an opinion column in the (Tacoma) News Tribune, Rep. Hans Zeiger (R-Puyallup) said he supports "the use of sales tax on transportation projects for transportation projects, rather than welfare or prisons."

That he didn't choose funding the homeless, the developmentally disabled, or those needing long-term home care as the comparison points is telling and part

of the problem. While we have a mandate from the Supreme Court to fund basic education, our revenue base is far too narrow and inadequate to accomplish both this and fund the myriad of other safety net programs to protect Washingtonians.

To further divert needed sales tax revenue from the operating budget is wrong. We need more revenue to meet the needs of our state. It would be irresponsible to divert sales tax revenue to transportation projects unless we had adequate operating budget revenue to fund basic education, mental health, other state services and fully fund state employee contracts.

Of course, the two transportation packages also differ in that the Senate package contains a poison pill that makes all mass transit dollars over the next 15 years contingent on no executive branch activity on a clean fuels standard.

Regardless of one's belief about climate change, this is wrong-headed in so many ways. Carbon pollution from the transportation sector accounts for 50% of our greenhouse gas emissions, which has a significant and costly impact on human health and our state operating budget.

The poison pill, apart from being a violation of the separation of powers, holds hostage any funding for transit that helps lower emissions to any policy that would allow lowering emissions by creating cleaner fuel standards. This pits human health and carbon emissions against corporate profits.

This is not what people want when they say they want to see a wise investment of transportation dollars.

The capital budget should be, and usually is, a pretty straightforward budget that allows us to invest in our state's future by improving any non-transportation infrastructure — affordable housing, public buildings, parks and recreation, cultural venues, clean and adequate water, etc. — while creating thousands of family-wage jobs, lowering our carbon footprint, and protecting our communities from floods, forest fires, and storm water runoff, etc. The great thing about the capital budget is that there are deserving projects in every county and



legislative district in the state.

But while it is in the best interest of our state to pass robust transportation and capital budgets, it is critical to first pass a robust and meaningful operating budget. The operating budget is the budget that frames how state government interacts with the private economy. The operating budget is a moral document — it backs up the values we hold dear with the financing to make a difference and the commitment we have to Washington's future.

It is clear to us that we need more revenue to adequately fund an operating budget that takes care of our state's needs and the workers who provide these essential services. There are a number of revenue options on the table — capital gains, B&O tax reform, closing tax loopholes, and a carbon fee — to name just a few.

It is our hope that the budget negotiators can put aside ideological differences during the coming post *sine die* period and honestly address our state's shortage of revenue. As a state we have limped along for the past three biennia, not meeting the needs of our people or of a growing economy. It is time to make the investments in people and the economy that have been on hold.

Either the Legislature can make these decisions or I guess we can look towards the Supreme Court. One place or another, the people of Washington State will get justice.

# The 2016 Election and Social Security

*Continued from Page 1*

In sharp contrast, no Republican voted to expand Social Security. Every Republican but a mere six voted to keep open the option of cutting the earned Social Security benefits of every American except for those fortunate enough to already be receiving those benefits. (Sorry, those of you who are a month away from retiring or have a disabling or deadly illness or accident in your future. The Republicans refused to vote to protect you.)

The distinction between the Democrats and Republicans couldn't be clearer. The Democratic Party which created Social Security -- now in its 80th year -- as of this vote has once again become the strong champion of the program. The Republican Party, which in 1935 voted nearly unanimously to kill the legislation in the House of Representatives, is unmistakably on record for favoring scaling back working Americans' modest earned Social Security benefits.

The Democrats are finally back in line with the American people on Social Security. The vast majority of Americans are overwhelmingly united in support of Social Security. Poll after poll indicates that, notwithstanding, ideology, race, gender, income level, or age, Americans believe that Social Security is more important than ever. They overwhelmingly support increasing, not cutting, its modest benefits.

And this is the right policy. At a time that the nation faces a looming retirement income crisis, a strangling finan-

cial squeeze on families, and a perilous and growing upward redistribution of income and wealth, expanding Social Security is a solution. Social Security is the most universal, secure, efficient, and fair source of retirement income. It is generally the most important life insurance that families have. It is the only form of long-term disability insurance that most Americans have. But its benefits are woefully inadequate by virtually any measure. Increasing those benefits and adding new benefits like paid family leave is profoundly wise policy.

Despite this winning policy and politics, too many Democrats over the last few decades have waffled in their support. Too many flirted with trading away these modest but vital benefits in an ill-conceived "Grand Bargain." Thanks to the recent vote, the Democratic caucus in the Senate should now be with us.

In 2016, it appears that finally the American people may have a clearly articulated choice about Social Security, a choice about their economic security. Social Security is not just the most important program for seniors, providing two-thirds of senior beneficiary households with half or more of their income, it is also the nation's largest children's program. It lifts more than 20 million Americans -- including more than 1 million children -- out of poverty each year. And it lessens the depth of poverty for millions more. It provides a floor of

economic protection under our nation's workers and their families.

For too long, though, Americans did not have a clearly articulated choice about what is at stake. Too many politicians, Democrats and Republicans alike, spoke in vague terms about "saving" or "strengthening" Social Security. Now they know. Some policymakers stand for expanding, not cutting, Social Security. Others want to "save" Social Security by dismantling it brick by brick.

Former Maryland Gov. Martin O'Malley, who seems poised to seek the Democratic nomination for president, is clearly for expanding, not cutting, Social Security. Sen. Sanders, who is reportedly considering a run as well, also strongly supports expanding, not cutting, Social Security. We now know where Ted Cruz, Rand Paul, and Marco Rubio stand, thanks to their votes last night. They are for cutting, not expanding, Social Security.

What is not known yet is where Hillary Clinton stands on expanding, not cutting, this program that currently provides benefits to about one in four households. If the Democrats are to retain the White House and take back the Senate, the answer to that question could be decisive.

*Nancy Altman is the Founding Co-Director of Social Security Works, and the Co-author (with Eric Kingson) of [Social Security Works!: Why Social Security Isn't Going Broke and How Expanding It Will Help Us All](#) (The New Press, 2015).*

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## WHCoA Seattle Regional Forum

*Continued from Page 5*

growing need for long-term care and home care services.

PSARA member Diane Narasaki, Executive Director of the Asian Counseling and Referral Service, made a powerful presentation describing the access and service problems that resulted when the Social Security Administration closed accessible community-based offices in Belltown and the International District, consolidating them into the ninth floor of the Jackson

Federal Building, while aggressively pushing clients to fend for themselves on the Internet. She pointed out that the consolidation has had a disproportionately negative impact on people of color, poor people and people with disabilities. Ms. Super made a commitment to bring these issues back to the appropriate people in D.C. and assured us that the policy issues we raised would be a part of the discussion at the national WHCoA.

We learned that the national WHCoA will be held in the East Room of the White House on a date in July that has not yet been disclosed. Only 200 participants can be accommodated, a fraction of the number that have participated in past Conferences. Everyone is urged to submit individual and organizational input through e-mail messages, social media, and webinars.

Please go to [www.whitehouseconferenceonaging.gov](http://www.whitehouseconferenceonaging.gov).

# Medicare Access and CHIP Reauthorization Act

Continued from Page 1

misguided provision that created the Sustainable Growth Rate formula (the "SGR"). The SGR is a crude cost-containment mechanism designed to control growth in Medicare spending by cutting payments to physicians when health spending grows faster than the national economy.

Many of us thought this was a bad idea at the time, and we voted against it. We worried that the cuts would be too severe and could devastate the Medicare program.

Unfortunately we were right, and it quickly became clear to everyone that implementing the SGR formula would lead to catastrophe. In 2003, Congress intervened by enacting a patch to temporarily avert draconian cuts. This was the first of what would ultimately be 17 "doc fixes" that postponed the SGR crisis but neglected the underlying problem.

Without a permanent fix, the health system lurched from crisis to crisis, without Congress ever finding a solution that would put an end to this dysfunction.

By passing MACRA, we have finally broken this cycle and solved this problem. The bill eliminates the draconian, across-the-board SGR cuts and moves us toward a system that will contain healthcare costs by paying doctors based on the value of the services they provide.

This is not perfect legislation. Beneficiary groups and retiree advocates are rightfully disappointed that it will be paid for in part by shifting costs onto Medicare beneficiaries. Provisions that raise premiums on the 2% of beneficiaries with the highest incomes and that increase cost-sharing for beneficiaries enrolled in some Medigap plans are particularly worrisome and deserve criticism.

But these flaws are part of a broader package of reforms that present a meaningful victory for progressives. Not only will MACRA strengthen Medi-

care by repealing the SGR, it will also bolster programs that are critical to the health security of the American people. It extends funding for the Children's Health Insurance Program, which covers 8 million children from low-income families. It averts a primary care funding cliff that would have decimated community health centers serving 28 million low-income people, teaching health centers, and the National Health Service Corps. And it eases the burden that Part B premiums impose on our most vulnerable seniors by making the Medicare Qualifying Individuals program permanent.

But what is most encouraging is that this bill shows the American people that their Congress can work constructively to solve a major national problem. Despite Tea Party obstruction, it is possible to address complicated issues in a thoughtful way, passing bills through regular order and coming to meaningful compromises that are in the best interest of the country.

The result may be imperfect, but fixing a major problem like the SGR is an accomplishment that we should celebrate and look to build upon as we continue to fight for the health security of the American people.

# Changes to Medicare

Continued from Page 3

receiving higher reimbursement rates (which we heard nothing about in the discussion of H.R. 2) they will have a competitive advantage over traditional Medicare by offering simplicity and smaller or no deductibles.

Additionally, there is a further undermining of Medicare as a social insurance program. Seniors with incomes above \$133,501 or couples with incomes above \$267,001 will pay higher premiums. I do not cry crocodile tears for these folks but that is not the point. Part of the principle of a social insurance program is that we all have the same skin in the game. This provision, which further stratifies what was already a stratified payment system, creates less support for the Medicare program across the board among our population. I predict that we will see a movement on the part of higher-income people to remove themselves from the Medicare system and allow themselves to purchase their health insurance separate from the rest of the population. Let's be clear what that means. In general, this group is a healthier cohort, and if they successfully withdraw from the Medicare system, costs will be driven up. In addition, they will lose their incentive to defend Medicare.

We had genuinely good friends vote for H.R. 2. It is puzzling to me why we heard so little criticism. I hope I am wrong and H.R. 2 improves Medicare, but I have my serious doubts.

## To Renew or Donate

PSARA Education Fund  
2800 1st Avenue, Room 262, Seattle WA 98121  
Donations are tax deductible

- Basic contribution: \$20
- Limited income/living lightly: \$15 or whatever you can afford
- Supporting: \$50  New contributor
- Sponsoring: \$100 or more  Renewing contributor

Name (Please print): \_\_\_\_\_

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# Meetings and Events

**PSARA Government Relations Committee:** 1 p.m. – 2:30 p.m., Wednesday, May 6, Seattle Labor Temple, Room 226, 2800 First Ave., Seattle. All welcome as we discuss important state and federal issues.

**PSARA Environmental Committee:** 9 a.m.- 11:00 a.m., Thursday, May 7, Seattle Labor Temple, 2800 First Ave., Room 234, Seattle. All welcome as we determine how we can best contribute to the education and action necessary to address the causes and solutions to the fossil fuel-created climate crisis.

**PSARA Education Committee:** 11 a.m. – 1 p.m., Thursday, May 7, Offices of Washington CAN!, 1806 E. Yesler Way, Seattle. We will view and discuss the first draft of the new retirement security educational program as we refine it and get it ready to go public.

**Green Lake Discussion Group:** Noon to 1:30 p.m., Thursday, May 14, Green Lake Library, 7354 East Green Lake Drive N., Seattle. Brown bag lunch. The topic of discussion will be "Retirement Security – What does it really mean in these changing times?" All are welcome. For further information contact Susan at [membershipvp@psara.org](mailto:membershipvp@psara.org).

**PSARA Diversity Committee:** 11 a.m. – 12:30 p.m., Thursday, May 21, Central Area Senior Center, 500 30th Ave S, Seattle. Members welcome as the Committee continues planning for the next committee project.

**PSARA Executive Board Meeting:** 12:30 p.m. – 3 p.m., Thursday, May 21, Central Area Senior Center, 500 30th Avenue S., Seattle. All members are welcome.

**PSARA Summer General Membership Meeting & Potluck:** 12:30 p.m. – 3 p.m., Wednesday, June 17, Machinists District Council 751 Hall, 9125 15th Place S., Seattle. Join us for the always excellent potluck, hear and honor progressive retiring City Council member Nick Licata, discuss the important long-term plans being developed for PSARA's future. See the flyer in the centerfold for more details about transportation and how to RSVP.

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***"Remember that you are fighting more than your own fight. You are fighting for the entire working class and you must stand together."***

Big Bill Haywood to the striking mill workers in Lawrence, Massachusetts, 1912.

Following Big Bill's example, PSARA unites people to fight for a secure future for all generations.

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