



## BARACK OBAMA: HELPING AMERICA'S SENIORS

*"The people in power today are telling us that instead of sharing the risks of the new economy, we should shoulder them on our own. In the end, this is what the debate over Social Security is truly about. After a lifetime of hard work and contribution to this country, do we tell our seniors that they're on their own, or that we're here for them to provide a basic standard of living? Is the dignity of life in their latter years their problem, or one we all share?"*

[Speech at National Press Club, 4/26/05]

## BARACK OBAMA'S RECORD OF FIGHTING TO HELP OUR SENIORS

As someone who was largely raised by his grandparents, Barack Obama has first-hand knowledge that for many seniors, turning 65 hardly means a vacation. For more and more of today's seniors, "retirement" is a balancing act of medical costs, part time jobs, and extended families.

### **RETIREMENT SECURITY**

**Protect Social Security:** Americans are increasingly at risk of working their entire lives only to face retirement in poverty. Social Security has been one of the most successful government programs in our nation's history, ensuring that people who have worked hard all their lives can retire with dignity and financial security. It is the primary source of retirement income for most Americans, with nearly two-thirds of beneficiaries receiving more than half their income from Social Security. Barack Obama believes we need to preserve the character of Social Security by stopping any efforts to privatize it. Obama will work in a bipartisan way to maintain Social Security's solvency for future generations.

**Secure Pensions:** Barack Obama will insist that companies keep the promises they made to their employees. He will amend bankruptcy laws to keep companies from filing for Chapter 11 in order to avoid their obligations to their workers. In the Senate, Obama voted for new rules to force companies to properly fund their pension plans so taxpayers don't end up footing the bill. He has also voted to shore up the funding of the Pension Benefit Guaranty Corporation, the federal agency that guarantees retirees receive at least some of their pension monies if their companies go out of business.

**Encourage Retirement Savings:** The personal saving rate is at its lowest level since the Great Depression. Only 55 percent of Americans working full-time hold a job with a retirement savings plan; the percentage is even lower for part-time workers and minorities. Barack Obama wants to make retirement saving easier, cheaper, and more automatic for middle-class and working people who get only minor tax benefits to save and who are the ones that really need the money. In the Senate, Obama supported the Save More for Retirement Act with Senator Jeff Bingaman (D-NM). The bill provides incentives for automatic enrollment in 401Ks. One study has found that, among low-income employees with less than 15 months tenure, automatic enrollment increased participation from 12 percent to 79 percent for workers. Obama will also expand savings by establishing automatic enrollment in IRAs for employees who are not covered by 401K plans and expanding and improving the Saver's Tax Credit to help more low- and moderate-income households save for retirement.

**Prevent Age Discrimination:** More than 38 million men and women age 50 and older are in the labor force. More than 33 percent of men and 23 percent of women ages 65 to 69 decide to continue working rather than fully retiring. But some employers refuse to hire older workers, push them to retire, or limit their training opportunities and job responsibilities. Barack Obama supports efforts to fight job discrimination for aging employees. He supports strengthening the Age Discrimination in Employment Act and giving the Equal Employment Opportunity Commission the resources to prevent all forms of job discrimination.

## **HEALTH CARE**

**Provide Cheaper Prescription Drugs:** Spending in the U.S. for prescription drugs was \$200 billion in 2005, more than five times greater than the \$40.3 billion spent in 1990. The U.S. is the largest market for pharmaceuticals in the world, yet our seniors pay the highest prices for brand-name drugs. To help lower the cost of prescription drugs, Barack Obama believes that the federal government should negotiate for lower drug prices for seniors in the Medicare program, just as it does to obtain lower prices for our veterans and troops. He also supports efforts to allow seniors to purchase prescription drugs in Canada and bring them back to the U.S.

**Fix Medicare's Prescription Drug Program:** Barack Obama wants to close the "doughnut hole" in the Medicare Part D Prescription Drug Program that limits benefits for seniors with more than \$2,250 but less than \$5,100 in annual drug costs. Approximately 4 million seniors hit the doughnut hole in 2006, paying full price for drugs while also paying drug plan premiums. Obama is also concerned about the difficulty encountered by seniors when enrolling and choosing among a large number of plans; the restrictions on changing plan selection after enrollment; and the high costs of the program for seniors.

**Protect and Strengthen Medicare:** Some 42 million seniors are served by Medicare. Ensuring the long-term solvency of the Medicare trust fund may be our toughest fiscal challenge, but Barack Obama is committed to the long-term strength of the Medicare program. Ultimately we need to reduce waste in the Medicare system and tackle fundamental health care reform across the economy. We need to improve the quality and efficiency of our healthcare system and put a greater emphasis on prevention.

**Stop Long-Term Care Insurance Fraud:** 70 percent of seniors will require long-term care at some point in their lives. Since 2002, Americans have bought nearly 9 million long-term care insurance products which help elderly Americans cover the costs of care in their homes, assisted living facilities, and nursing homes. Recent investigations have revealed that several long-term care insurers engage in troubling practices which make it difficult for seniors to receive their insurance benefits in times of need. In California nearly 1 in every 4 long-term care claims was denied in 2005, according to a *New York Times* investigation. Barack Obama has called for an investigation by the Government Accountability Office to determine whether long-term care insurers are arbitrarily denying benefits to seniors; whether insurers are enticing individuals to buy policies by offering low premiums, and then sharply increasing premiums; and whether insurers are failing to offer inflation adjustments, resulting in a significant erosion of purchasing power in later years.

## **LOW-INCOME SENIORS**

**Ensure Housing Assistance:** Barack Obama has supported greater funding for nonprofit programs that provide affordable housing to senior citizens. Across the country, there are more than 300,000 such housing units that enable seniors to live with dignity and self-determination. Obama has also worked with Senator Debbie Stabenow (D-MI) to increase funding for housing for grandparents who are raising their grandchildren.

**Ensure Heating Assistance:** Barack Obama has been a strong supporter of increased funding for the Low Income Home Energy Assistance Program which helps low-income citizens —many of them seniors —pay their winter heating and summer cooling bills. 5.8 million households received energy assistance in 2006, and the program has proved especially critical to seniors who are more vulnerable to hypothermia and heat stroke.

**Ensure Food Assistance:** Approximately one-in-five low-income seniors is at risk of going hungry during the

year. For that reason, Barack Obama has fought to protect food support programs, such as the Commodity Supplemental Food Program, that sustain vulnerable families, children, and seniors.

**Protect and Strengthen Medicaid:** Medicaid helps 6 million seniors with their health care costs. Barack Obama supports efforts to ensure that this program remains solvent. He believes that the federal government should support state-level reform efforts to constrain Medicaid costs such as negotiating for low drug prices, implementing disease management and quality initiatives, and offering greater support for community-based, long-term care services. Obama would also reverse cuts in benefits or changes in eligibility that prevent low-income patients from seeking care until their medical problems have gotten worse and more expensive to treat.

### **OTHER ISSUES**

**Protect Seniors During Emergencies:** In the aftermath of Hurricane Katrina, Barack Obama introduced legislation to prevent another tragedy in which the poor and elderly are left behind during a natural disaster or terrorist attack. His legislation, which was included in the port security law signed by President Bush in 2006, requires states and localities to have emergency evacuation plans in place that take into account the special needs of senior citizens.

**Protect Aging Veterans:** Barack Obama has worked to ensure that our aging veterans are able to receive their disability benefits and the health care that they deserve. He has worked with Senator Dick Durbin (D-IL) to require the Department of Veterans Affairs to provide veterans in six states, including Illinois, with notification of their rights to appeal any benefit decisions. As a result of these appeals, veterans are starting to see larger benefit checks. Obama has also fought for greater funding of veterans' health care.