

We need You! StateWide is actively working with Congressmembers and other like minded groups to help make a positive change. StateWide members have been raising concerns about federal budget proposals at rallies, press conferences and town hall meetings, urging Congress to act to protect the social safety net. Have you heard of services being cut back? We need local stories, and not just about Aging Services. If you or your neighbors have been impacted, or are concerned about a future impact, - PLEASE tell us of your concerns. Email to Statewide4@gmail.com.

Advocates need to continue to raise their voices to protest cuts that would further deteriorate the economic stability of seniors and their families. Stay informed (read information and links below) and voice your concerns. Email Statewide4@gmail.com or call StateWide at 518-436-1006 if you want helpful hints for communicating with your Congressional Representatives.

Federal Budget Problems Impact Aging Services

You can Make a Difference

Sequestration – The battles along party lines that we saw before Election Day 2012 continue in Washington as Congress and the President discuss the Federal Budget. During the 2011 impasse, an agreement was made to adopt Sequestration if lawmakers could not agree on how to address the federal deficit. There was an agreement to balance the cuts between domestic spending and defense spending, with a protection against benefit cuts in Medicare, Medicaid and Social Security. Sequestration was designed to force Congress and the President to resolve issues because its automatic spending cuts in both good programs and those that are wasteful would be such bad a policy that neither party could allow it to go into effect. But it did go into effect, and now we are seeing nationwide consequences to important programs, include Older Americans Act funding (Meals on Wheels, transportation, congregate meals, personal care, caregiver supports and other services), food stamps, heating assistance, housing supports, senior employment and other programs that struggling families and older residents count on to keep them from living in poverty. And yet, the disruption caused by the sequester induced furlough of air traffic controllers has caused Congress to act swiftly to avert problems.

Another negative consequence of Sequestration is that the House Republican Majority has recently stated that they would not repeal the cuts, but in fact would use the reduction as the new baseline for funding in the budget debate for years to come.

Federal Budget - Without a budget adopted for the current federal fiscal year, the government is functioning under periodic continuing resolutions, allowing 2012 funding levels to remain in effect. Another hurdle occurs with the debate over extension of the Debt Ceiling. The next deadline is in May, but budget officials indicate that there will not be a debt ceiling crisis until August.

Federal Budget Proposals - Congress and the President have proposed drastically different budget proposals, some quite in contrast to public opinion polls that support preserving Social Security, Medicare and other safety net programs. For a clear and concise chart on the various proposals, please see this [link](#).

House of Representatives – The House Republican Majority’s budget resolution is similar to the “Ryan” budget bill of 2012. This proposal reduces the deficit without revenue enhancements, by cutting spending. In fact, it lowers tax rates for the wealthiest Americans. It would repeal the Affordable Care Act (Obamacare), including the Medicare prevention benefits, closure of the prescription drug loophole, and reduction in profit margin for managed care plans. Additionally, the House Majority proposes a Medicare voucher program so that enrollees can purchase their own policy instead of a government rated/approved insurance. Analysts claim that an optional voucher program will not keep pace with health inflation and will undermine the financial stability of Medicare, leaving only the most frail – and therefore the most expensive – consumers remaining in Medicare. The resolution makes drastic cuts in food stamps and changes in other benefits. It offers no specifics regarding Social Security, but requires the President and Congress to submit a long term plan to reign in costs.

House Progressive Caucus - An alternative to the House Majority proposal has been suggested by the Congressional Progressive Caucus, investing in job development and protecting social services programs from cuts, even adding funding to address need. Funding for expansions are derived from tax code changes, making some defense spending cuts and ending war funding.

Senate Majority - The Senate Democratic Majority has proposed to reduce the deficit by taking a balanced approach between spending cuts and revenue increases. It continues the sequester pledge to protect Social Security, Medicare and Medicaid beneficiaries from cuts. It would eliminate the Sequester cuts and pledges no cuts in food programs for vulnerable populations.

The President’s Proposal - The President’s budget also takes a balanced approach with both revenues and spending cuts. For detailed information on how the President’s Budget proposal impacts Medicare and Social Security, see this [link](#). The President proposes a significant – and

unacceptable - change in the cost of living calculation for Social Security, claiming \$230 billion in savings over a 10 year period through implementation of the chained CPI. This proposal will result in an average \$130 yearly cut to a 65 year old that will escalate to the loss of an average full month's payment by the time that senior reaches age 92. There are also proposals to increase premiums for Medicare enrollees with incomes equivalent to \$47,000 for an individual and \$94,000 for a couple.

With the parties so far apart on so many issues, advocates need to continue to raise their voices to protest cuts that would further deteriorate the economic stability of seniors and their families.