

February 5, 2013

U.S. House of Representatives
Washington, DC 20515

Dear Representative:

On behalf of the millions of members and supporters of the National Committee to Preserve Social Security and Medicare, I urge you to oppose an amendment to H.R. 444, “Require a PLAN Act,” offered today by Reps. Kurt Schrader, Frank Wolf, Jim Cooper and Chris Gibson. The amendment proposes that the recommendations of Erskine Bowles and Alan Simpson be the basis for meeting the requirements of H.R. 444.

At the time that the Bowles-Simpson plan was released, the National Committee expressed its strong opposition to its recommendations because they failed to reflect a balanced approach in addressing the nation’s fiscal imbalances. We said then, and continue to believe, that this proposal relied far too heavily on benefit cuts—to both Social Security and Medicare—which would hurt millions of Americans.

The Bowles-Simpson recommendations included proposals that would:

Cut Social Security by Raising the Retirement Age to 69 – The report called for a gradual increase in the retirement age to 68 by 2050 and 69 by 2075. Increasing the retirement age is a benefit cut pure and simple and would harm the retirement security of generations of Americans.

Cut Social Security by Reducing Cost-of-Living Adjustments (COLAs) – Bowles-Simpson proposed adoption of a different method of calculating the cost-of-living adjustment that would almost immediately result in smaller COLAs, impacting even current retirees. Estimates are that this proposal would lower benefits by approximately 3 percent after 10 years of retirement and 6 percent after 20 years of retirement.

Cut Social Security by Altering the Benefit Formula – Bowles-Simpson proposed massive changes to the benefit formula that would substantially reduce benefits for millions of future retirees.

Cut Medicare by Increasing Cost Sharing for Seniors – Their report included proposals that would lead to hundreds of billions of dollars in new Medicare cuts, over \$100 billion of which would come **directly** out of the pockets of seniors in the form of increased cost sharing. The average senior is already spending nearly 30 percent of his/her Social Security benefit on Medicare out-of-pocket costs alone; these proposals would increase that amount.

Cut Medicare by Capping Federal Health Spending – This proposal would likely force drastic structural changes to Medicare including replacing traditional Medicare with a voucher system and raising the age of eligibility.

The National Committee and its membership know that Social Security did not contribute to the federal debt and deficit. Furthermore, neither Social Security nor Medicare should be the targets of so-called reform measures that cut our vital social insurance safety net simply for the purpose of balancing the budget. In fact, according to the National Committee's most recent nonpartisan polling, Americans across all ages and party affiliations are solidly against cutting Social Security and Medicare to reduce the deficit.

We thought when the Bowles-Simpson report was first released that it was the wrong plan, and we still do. For that reason, the NCPSSM opposes the Schrader/Wolf/Cooper/Gibson amendment to H.R. 444 and urges you to oppose it.

Sincerely,

A handwritten signature in black ink that reads "Max Richtman". The signature is written in a cursive, flowing style.

Max Richtman
President and CEO