



March 27, 2012

United States 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 the substitute House Fiscal Year 2013 Budget Resolution that has been introduced by Representatives Jim Cooper and Steven LaTourette. Our concern arises from the requirement in the substitute budget resolution that Social Security and Medicare be amended in a manner that "...reflects the principles and framework outlined in the bipartisan Simpson-Bowles 'Moment of Truth' report and the bipartisan Rivlin-Domenici 'Restoring America's Future report.'"

At the time that these reports were released, the National Committee expressed its strong opposition to their recommendations because they failed to reflect a balanced approach in addressing the nation's fiscal imbalances. We said then, and we believe now, that their proposals relied far too heavily on benefit cuts—to both Social Security and Medicare—which would hurt millions of Americans.

Among the provisions included in these reports were proposals that would:

Cut Social Security by Raising the Retirement Age to 69 – The report's proposal calls 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) – Both reports 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 – Both Simpson-Bowles and Domenici-Rivlin propose massive changes to the benefit formula that would substantially reduce benefits for millions of future retirees.

Cut Medicare by Increased Cost Sharing for Seniors – Simpson-Bowles includes 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 30 percent of his/her Social Security benefit on Medicare out-of-pocket costs alone; these proposals would increase that amount.

Cut Medicare by Reducing Provider Reimbursements – These proposals include a new round of cuts in Medicare provider reimbursements, which could leave seniors without access to affordable health care (as providers may stop treating Medicare beneficiaries).

The National Committee and its membership know that Social Security and Medicare did not create the deficit and should not be the target 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 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 Simpson-Bowles and Rivlin-Domenici reports were first published that they were the wrong way to go, and we still do. For that reason, I urge you to vote against the Cooper-LaTourette substitute budget resolution.

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