



PROTECT *America's Heartbeat*



FOR IMMEDIATE RELEASE

October 7, 2015

CONTACT:

Jessica Klement

jklement@narfe.org

(703) 838-7760

NARFE Joins Congressional Leaders in Calling for Action on Disproportionate Medicare Premiums Increase

WASHINGTON, DC – NARFE President Richard G. Thissen joined congressional leaders at a press conference on the U.S. Capitol grounds today to call for action to prevent a 52 percent increase in Medicare Part B premiums for millions of America's seniors, including many federal retirees. Two bills aiming to prevent the unprecedented increase were introduced today – one in the House, by Rep. Dina Titus, D-NV, and one in the Senate, by Sen. Ron Wyden, D-OR. NARFE supports these bills.

House Minority Leader Nancy Pelosi summed up the issue well in her opening remarks in front of the Capitol today: “[I]t’s very personal to the lives of America’s seniors and others who depend on Medicare, very critical to states who have dual eligibles of Medicare and Medicaid, very important to many people who pay into the Medicare system and will have their deductible and their premium increased.”

On the issue, NARFE President Thissen commented, “If Congress fails to take action, Medicare premiums will rise by 52 percent for millions of beneficiaries, including many federal retirees, simply because they pay for Medicare by other means than through Social Security. The deductible will rise by 52 percent as well. All told, that amounts to increases of more than \$700 a year. That could pay for food or rent for an entire month in many parts of the country.”

“But this is about more than just money, it is about basic fairness,” Thissen continued. “There is no reason why two people with the same income should pay different Medicare premiums based on whether the money is coming from a Social Security check or a checking account.”

Medicare Part B premiums are expected to increase disproportionately in 2016 for federal retirees who are covered by the Civil Service Retirement System (CSRS) and who do not receive Social Security benefits, among millions of others. The current projection is an increase of 52 percent, from \$104.90 to \$159.30 per month.

This is due to the effect of the so-called “hold harmless” provision of the Social Security Act, which states that the dollar increase in the Part B premium is limited to the dollar increase in an individual’s Social Security benefit. With no cost-of-living adjustment (COLA) expected in 2016, an estimated 70 percent of beneficiaries will be held harmless, meaning their Part B premium will remain stable at \$104.90.

Unfortunately, the remaining 30 percent of Part B beneficiaries who are not held harmless,



PROTECT *America's Heartbeat*



including federal retirees covered by CSRS and who do not receive Social Security benefits, are projected to shoulder the full cost of the 2016 premium increase. If the hold harmless provision

did not exist, all beneficiaries would see a much smaller increase of 15 percent, to \$120.70 per month.

At the press event, Rep. Xavier Becerra, D-CA, commented, “It’s time to stop and get to work. Because for most seniors, Medicare is not a luxury; it’s indispensable. Most seniors pay about three times as much for their health care than the average American because they are a little older and some of those aches and pains are coming out a little bit more.”

And to that end, legislation introduced today by Sen. Ron Wyden, the Protecting Medicare Beneficiaries Act of 2015, will hold premiums steady for all enrollees, meaning the 30 percent of beneficiaries who are not currently held harmless would not see an increase in premiums or deductibles. Wyden’s legislation is cosponsored by Sens. Bennet, D-CO; Brown, D-OH; Cardin, D-MD; Casey, D-PA; Menendez, D-NJ; Murray, D-WA; Nelson, D-FL; Schumer, D-NY; and Stabenow, D-MI.

In the House, Rep. Dina Titus introduced companion legislation, the Medicare Premium Fairness Act of 2015. Under the bills, premiums for individuals not currently held harmless would stay at \$104.90, and the deductible would remain \$147.

“I am honored to stand with and applaud the many members of Congress who have stepped up to protect millions of seniors from this unfair increase in premiums. I urge swift congressional action on these pieces of legislation,” concluded Thissen.

NARFE has a [webpage](#) dedicated to this issue where members can read updates and take action. On this site, you can also access an issue brief which explains this issue in depth.

###

The [National Active and Retired Federal Employees Association](#) (NARFE), one of America’s oldest and largest associations, was founded in 1921 with the mission of protecting the earned rights and benefits of America’s active and retired federal workers. The largest federal employee/retiree organization, NARFE represents the retirement interests of nearly five million current and future federal annuitants, spouses and survivors.