MM #45: The Seniors Strike Back

The retirees are rebelling.

Many are mad at lawmakers for creating Medicare proposals that will encourage employers to drop all or part of their current health coverage. And they're not sitting quietly.

At recent townhall meetings, retirees "deluged" lawmakers with complaints about the proposals, *The New York Times* reports Sept. 16. "In the last month, members of Congress say, they have realized that any Medicare drug benefit they may approve will have a profound effect on health coverage provided by retirees by former employers," *The Times* says.

And how. As Heritage Foundation health-care expert Lanhee Chen notes in an Aug. 26 research paper, the Congressional Budget Office says if the drug proposals become law, roughly one out of three seniors would lose their private coverage and be forced to use Medicare. Chen also finds that seniors could have their coverage scaled back if the proposals become law.

"Millions of American seniors have worked hard their entire lives in the belief that they would receive health insurance benefits, including coverage for prescription drugs, from their employer after retirement," Chen writes. "But if Congress does create a universal Medicare drug entitlement based on bills now before a House-Senate conference, the retiree drug coverage many seniors were promised by their employers will be in peril."

Read more of Chen's paper at http://www.heritage.org/Research/HealthCare/bg1680.cfm.

For more information or to receive an e-mail version of "Medicare Maladies," contact medicaremaladies@heritage.org or call Heritage Media Services at (202) 675-1761.

("Medicare Maladies" is a regular feature, launched 7/14/03, from The Heritage Foundation. Sad to say, there's another malady coming your way tomorrow. Daily "maladies" are also available on heritage.org.)