



May 16, 2012

Dear Senator:

On behalf of over 38 million members and other Americans who are age 50 and older, AARP is writing to express serious concerns with the budgets you are considering for debate this week. The motions to proceed to debate, if agreed to, will lead to the consideration of budget frameworks that at best would increase the out-of-pocket costs for health care for older Americans. At worst, it would end Medicare, significantly reduce funding for Medicaid, and significantly reduce the benefit currently guaranteed by Social Security.

### **S. Con. Res. 37/H.Con. Res. 112**

S. Con. Res. 37 is similar to H. Con. Res. 112, the House Budget for Fiscal Years 2013-2022. AARP's serious concerns and opposition to H.Con. Res. 112 have been laid out in a detailed six page letter made public on March 21, 2012. The letter makes clear our firm opposition to premium support for Medicare and to block granting for Medicaid and SNAP. Additionally, the letter lays out our concerns were the ACA to be repealed, and the discretionary caps agreed to in the Budget Control Act to be revisited. S.Con.Res. 37 goes even further than H.Con.Res. 112 by cutting Medicaid even more deeply, thereby further jeopardizing the health of older Americans and placing even greater strain on state budgets.

### **S. Con. Res. 42 and S.Con.Res. 44**

S. Con. Res. 42 goes even further than S.Con. Res 37 in making deep spending cuts that would devastate the health and financial security of older Americans. S.Con. Res. 42 would require deep cuts in spending, in order to reach the arbitrary goal of balancing the budget within five years. S.Con. Res. 42 would increase the eligibility age to 70 for Social Security and Medicare as well as establish progressive price indexing for Social Security benefits, changes which would cut the earned benefit of millions of Americans. S.Con.Res. 44 increases the eligibility age to 68 for Social Security and Medicare, and proposes reducing the Social Security cost-of-living adjustment and phases out benefits for some retirees.

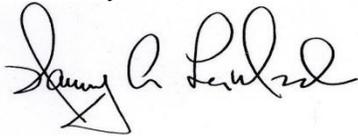
### **S. Con. Res. 41**

S.Con. Res. 41 preserves the earned Social Security and Medicare benefits that ensure the health and financial security of older Americans. S.Con. Res. 41 does not propose the draconian cuts that are included in either of the other two budget resolutions under

consideration. But, even S.Con. Res. 41 would result in a shift of more health care costs to older Americans – additional costs that millions of retirees cannot afford. AARP opposes further income relating the Medicare program, as the program is already income related. Any additional income relating simply shifts more costs onto beneficiaries and will hurt new middle income Medicare enrollees, as well as encouraging higher-income beneficiaries to leave the program. Additionally, S. Con. Res. 41 proposes home health co-pays for Medicare beneficiaries. AARP opposes home health co-pays because they increase costs for low-income Medicare beneficiaries who make up a large portion of home health users. S. Con. Res. 41 also proposes a single blended matching rate for Medicaid and the Children’s Health Insurance Program. AARP is concerned that putting arbitrary caps or limits on federal Medicaid spending could reduce access to and quality of care, such as reducing staffing in nursing homes, which could put the health and safety of seniors and people with disabilities at risk.

On behalf of our millions of members and all older Americans, we reiterate our concerns about the harm these budgets could cause beneficiaries of the Medicare, Medicaid, and Social Security programs. We strongly urge you to reject the motions to proceed to debate these budgets, and instead protect these vital programs that tens of millions of Americans depend upon for their health and financial security. If you have any questions, feel free to call me, or Joyce Rogers, Senior Vice President of our Government Affairs office at 202-434-3750.

Sincerely,

A handwritten signature in black ink, appearing to read "Nancy LeaMond". The signature is fluid and cursive, with a large initial "N" and "L".

Nancy LeaMond  
Executive Vice President