

Congresswoman Louise M. Slaughter (D-NY-28), Chairwoman of the House Committee on Rules, said that she had worked to move stop-gap Medicare funding to the floor for an immediate vote, which overwhelmingly passed this afternoon. Slaughter said she moved the legislation to protect 11 million seniors who will be impacted next month by a possible increase in Medicare Part B premiums.

“There is no way I would have allowed this increase to fall on seniors and people with disabilities at a time when so many families are struggling,” Slaughter said. “I feel very strongly that trying to force some Americans to pay an additional 20% a month for premiums would have been an unfair burden and stress. I am proud to have moved this measure through the Rules committee so the House could quickly vote on this critical bill. It’s my hope that it passes the Senate soon so it can be signed into law as soon as possible.”

This year, Congress voted not to receive a cost of living increase in Members’ salaries— in large part because seniors were also not going to get an increase.

There are currently 42 million seniors and people with disabilities enrolled in Medicare Part B. The standard Part B premium for 2009 is \$96.40 per month (higher for individuals with incomes over \$85,000 or \$170,000 for couples). By law, the premium is calculated each year to cover approximately 25 percent of the cost of the Medicare program.

Premiums would normally increase to roughly \$103 next year to cover 25 percent of the program’s cost. However, a “hold harmless” policy currently in law ensures that most seniors do not see a decrease in their Social Security checks if the Part B premium increase is projected to be greater than the increase in Social Security. Because of the recession, next year’s Social Security cost-of-living adjustment (COLA) may be zero and checks will not increase; the current law “hold harmless” means that Part B premiums will not increase in 2010 for 73 percent of enrollees.

The other 27 percent of enrollees are not held harmless under current law. These include low-income individuals who are eligible for Medicare and Medicaid (18 percent, or 7.3 million beneficiaries), higher-income Medicare beneficiaries (5 percent, or 2.1 million beneficiaries), new Medicare enrollees (3 percent or 1.3 million beneficiaries) and enrollees whose Medicare premiums are not deducted from their Social Security checks (2 percent or 850,000 beneficiaries). Because of the way the law is written, premiums for the enrollees who are not currently held harmless would be disproportionately increased to \$110-\$120 per month, unless Congress acts. This is the first time that such an interaction has occurred. This bill would

Slaughter Votes to Protect Seniors From Rising Medicare Premiums

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extend the current hold harmless protection to all Medicare enrollees, meaning that no seniors will see a decrease in their Social Security checks due to Medicare Part B premiums.