

OP ED: SOCIAL SECURITY AND MEDICARE ARE MORE THAN NUMBERS

by Bill Kallio, AARP Virginia State Director

The way some people talk in Washington you could get the idea that Social Security and Medicare are little more than numbers in a budget. Yet for families in Virginia and all over America, Social Security and Medicare have a deeper meaning: They are the very foundation of security in retirement.

Social Security and Medicare enable millions of older Americans to survive financially each month, after years of working hard and paying taxes to earn these protections. One day, younger people will count on these same pillars of security for their own independence and dignity in old age.

As lawmakers consider the U.S. budget, here are a couple numbers they should keep in mind: Half of America's seniors get by on less than \$20,000 a year. And here's another: Typical seniors already spend nearly 20% of their incomes on health care, a percentage that continues to rise.

These facts argue against treating Social Security and Medicare as bargaining chips in a year-end political deal. Instead, we should be discussing responsible ways to preserve their vital protections for future generations.

A good place to start is by recognizing the essential role that Social Security and Medicare play in the lives of average Americans:

- Social Security provides more than half the household income for one out of two older Americans. Social Security accounts for 53 percent of the typical older Virginian's income. Low- and middle-income seniors in Virginia receive 77 percent of their income from Social Security.
- Social Security benefits keeps 28 percent of Virginia seniors out of poverty, or more than a quarter-million people. And benefits are modest, averaging \$14,100 a year.
- Medicare enables over 50 million older Americans and people with disabilities to receive affordable health care. In Virginia, that's nearly 1 million people. Still, Virginia seniors have to pay \$4,200 on average out of their own pockets for care each year. Without Medicare, many would have to spend thousands more for private coverage – if they could afford it at all.

Since early 2012, AARP has been encouraging a conversation about the long-term financial challenges facing Social Security and Medicare, and how to keep these programs effective for the long haul. This effort, which we call You've Earned Say, has engaged millions of Americans -- and they've made their feelings clear.

In a recent AARP poll, 91% of Americans age 50 and over said Social Security was "critical" to the economic security of seniors, and an even higher 95% described Medicare as critical to health security for seniors.

To be sure, older Americans want very much to reduce the budget deficit and put our nation on a more secure fiscal path. But they seek measures that are responsible and fair, not ill-considered "solutions" that would cause more problems than they solve.

The fact is we are living in a time when retirement security has unraveled for many, due to a combination of trends. Private pensions are shrinking. Savings rates remain low. Home values have fallen. The cost of living continues to rise.

These realities make it unwise and even reckless to cut back Social Security and Medicare, just to meet numerical targets in a budget deal. Rather, the economic pressures facing older Americans warrant an open, thoughtful discussion on ways to enhance retirement security and how to strengthen the bedrock programs that provide it.

This focus is critical not only for today's retirees and working Americans, but for future generations. AARP will continue to remind our elected leaders of the importance of Social Security and Medicare in Virginia and communities all over the country.

Of course, budgets matter. But we should never forget their impact on the real people behind the numbers.