



NRLN Review, Summary for February 2021

The NRLN Review provides a monthly report on National Retiree Legislative Network actions, events in Congress and important retirement news.

Action Alert to Protect Funding for Single Employer Pensions

The NRLN issued an Action Alert on February 9. Members were asked to send the NRLN's sample letter to their U.S. Representatives and Senators to urge them to reject single employer pension plan funding language that was in the HEROES Act, H.R. 409 or H.R. 423 from being included in the \$1.9 trillion economic relief package in Congress or in any other legislation.

Later in the day the NRLN learned that House leaders inserted into the COVID-19 bill legislative language to address funding for insolvent and underfunded multiemployer pensions included language that harms single employer plans by making it possible for plan sponsors to underfund their plan.

Reducing plan funding obligations for single employer pensions plans creates the false impression that a plan is better funded when in fact it is not. It's worse off and more underfunded than before. Underfunding increases plan failure risk that often results in more plan terminations that the Pension Benefit Guaranty Corporation (PBGC) has to salvage and creates lower pension payments for affected single employer plan retirees. Further, the PBGC must collect higher annual premiums for each single employer plan participant in all single payer pension plans based upon this added risk when such underfunding is artificially forced by Congress.

The NRLN supports saving multiemployer plan funding to reduce the horrible consequences these retirees face, but not at the cost of single plan participants who also rely on their pensions.

Despite thousands of letters emailed to members of Congress the COVID-19 economic stimulus bill passed with the funding language for multiemployer pension plans and single employer pension plans. The NRLN believes it should be illegal for Congress to throw into bills such as COVID-19 totally unrelated issues.

NRLN News Release Opposed House Action

NRLN issued news releases on February 9 opposing the House's action to include in the COVID-19 bill legislative language that will harm the funding of single employer pension plans. The news release was sent to the Washington Post, Washington Examiner, The Hill, Politico, Roll Call, New York Times and Wall Street Journal.

Action Alert Opposes TRUST Act in COVID-19 Bill

On February 13, NRLN issued an Action Alert opposing the Time to Rescue United States Trust (TRUST) Act to create "rescue committees" for Social Security and Medicare that would operate outside of the regular order

of Congress, behind closed doors, and their recommendations would be fast-tracked for votes on a take-it-or-leave-it basis.

NRLN members were asked to send letters to their Representative and Senator to urge them to remove the TRUST Act from the \$1.9 trillion COVID-19 economic stimulus bill.

An NRLN Action Alert on July 30, 2020 opposed the TRUST Act being added to the COVID-19 Health, Economic Assistance, Liability Protection and Schools (HEALS) Act. Fortunately, letters from NRLN members helped convince Congress to remove the TRUST Act from the HEALS Act.

Congress needs to address the shortfalls in the Social Security and Medicare trust funds with a bill such as the Social Security 2100 Act introduced in the last Congress, but not with the TRUST Act behind closed doors.

NRLN News Release Opposed TRUST Act

NRLN issued news releases on February 13 opposing the House's action to include the TRUST Act in the COVID-19 bill legislative language. The news release was sent to the Washington Post, Washington Examiner, The Hill, Politico, Roll Call, New York Times and Wall Street Journal.

NRLN Lobbying Via Conference Calls

During February NRLN President Bill Kadereit and NRLN Executive Director Alyson Parker had conference calls with 14 staff members who support various committees and party leadership on Capitol Hill. One call was with the healthcare policy advisor to House Speaker Nancy Pelosi. The purpose of the call was to explicitly explain that the NRLN wants the special Medicare Advantage benefits to be added to traditional Medicare or that Medicare Advantage plans eliminate the special benefits and taxpayer rebates to insurance companies be discontinued. The discussion noted the NRLN's support for the re-introduction early in the 117th Congress **H.R. 3, the Elijah E. Cummings Lower Drug Costs Now Act**. The bill which was passed by the House on December 12, 2019 during the 116th Congress would add vision, dental and hearing coverage to traditional Medicare. It would also cap out-of-pocket spending on medicines at \$2,000 per year and require Medicare to negotiate prices on 250 of the most commonly used prescription drugs.

Other meetings by phone were with committee staff members who assist in the drafting of bills. Kadereit and Parker lobbied for the re-introduction of the **Securing a Strong Retirement Act** early in the 117th Congress. The bill was introduced on October 27, 2020 in the 116th Congress. The NRLN advocated for a section in the bill that is particularly important to millions of retirees with pensions. It clarifies that a pension plan does not have a fiduciary duty to recoup overpayments, but if it chooses to do so, it must be done within three years of the initial overpayment. (Currently there is no limit on back years.) Further, the company may not recoup more than 10% of the amount of the overpayment per year, and it may not recoup against a beneficiary of a participant.

The conference calls were also used to lobby for amending the Employee Retirement Income Security Act (ERISA) and Internal Revenue Code (IRC) Section 420 to reduce surplus transfer limits from 120% and 125% to 110%. The amendment would require that annual plan surplus transfers be used for and may not exceed the combined annual life insurance and health insurance benefits for retirees or 1.75% of plan assets whichever is lower. If a company terminated its single employer pension plan surplus funds would be applied to retirement benefits rather than reverting to the company.

During the calls with committee staff members a request was made that the legislative language that would harm the funding of single employer pension plans be removed from the COVID-19 economic stimulus bills.

Eight more calls with 10 or 11 other committee and sub-committee staff members are planned for or are already scheduled for during the first two weeks in March. Parker said "the NRLN is expecting the new administration to move very quickly to Social Security and Medicare following budget approvals and then to overall healthcare cost and pension issues, so we need to move fast to stay ahead of the game."

Legislative Affairs Committee

The NRLN Legislative Affairs Committee (LAC) submitted on February 25 to the NRLN Legislative Action Planning Committee (LAPC) 3 bills introduce in the new 117th Congress. The LAPC will determine what action to take on the bills during its March 1 conference call. The LAC composed of Judy Stenberg, Chairwoman, Deb Morrisett, Joe Mazzei, Al Duscher and Bob Martina. LAPC members are Bill Kadereit, Chairman, Alyson Parker, Judy Stenberg, Bob Martina and Ed Beltram.

Key News Articles Posted in February

During February, 74 links to news articles related to retirement issues were researched and posted daily IN THE NEWS on the NRLN website home page. The headlines below are links to the articles. Or, read the articles at www.nrln.org under IN THE NEWS in the right column. Scroll down and click on the headline to access the article you want to read. Below are examples of the headlines.

Biden Administration Delays Trump's Drug Pricing Rebate Rule For A Year - Feb. 1

Want to age at home instead of a nursing home? Consider this first – Feb. 3

What to Do if Alzheimer's Strikes – Feb. 5

The Best Ways To Negotiate Medical Debt – Feb. 8

Opinion: What will low interest rates do to retirement savings? - Feb. 9

Medicare payment for physician-administered (Part B) drugs: The interim final rule and a better way forward – Feb. 9

Social Security scam calls use false claims of Social Security Number theft to steal money – Feb. 10

As Drug Prices Keep Rising, State Lawmakers Propose Tough New Bills to Curb Them – Feb. 12

Biden opens special new ACA enrollment period; to run until May – Feb. 15

Opinion: The one-two punch to knock out high drug prices – Feb. 17

Opinion: Drug prices are rising faster than seniors can keep up – Feb. 18

Medicare Cuts Payment to 774 Hospitals Over Patient Complications – Feb. 19

Democrats plan crackdown on rising drug costs – Feb. 21

SURVEY RESULTS: Importing Prescription Drugs Saves Americans an Average \$2.7k/Yr – Feb. 22

Changes Must Come To Social Security – Feb.22

Working to save America's [multi-employer] pensions – Feb. 22

Tax Season Will Look Different This Year. Here Is What You Need to Know – Feb. 23

Industry Voices—Medicare is going bankrupt. Biden will have to do something to ensure its solvency – Feb. 25

Social Security and Medicare may experience their own COVID-19 side effects, experts say – Feb. 27

The unkindest cut: Decline in staff equals decline in Social Security service – Feb. 28