#### Statement of Alex Lawson

## **Executive Director, Social Security Works**

# HEARING ON "Making Washington Work for Seniors: Fighting to End Inflation and Achieve Fiscal Sanity"

## **United States Senate**

## **Special Committee on Aging**

January 29, 2025

Good afternoon, Chairman Scott, Ranking Member Gillibrand, and distinguished members of the committee.

As Executive Director of Social Security Works, I travel across the country speaking with legions of primarily older Americans. Almost to a person, they are concerned about rising prices. These rising prices hurt older adults, endangering their ability to afford food, housing, and prescription drugs. They want Congress to take action.

Across the country, there is widespread bipartisan agreement on what people want: cracking down on corporate price gouging, improving Social Security's annual cost-of-living adjustments, which keep up with rising prices and currently under-measure seniors' cost of living, and reducing the price of prescription drugs by expanding Medicare's power to negotiate. These are actionable policies that will help older adults adjust to inflation caused by global supply chain shocks and greedflation—which has contributed to rising costs over the past few years. In fact, Federal Reserve research found that corporate profits accounted for all the inflation in the first year of the pandemic recovery and 41 percent of inflation overall in the first two years of the post-pandemic recovery.

There is bipartisan agreement across this country about what people don't want in response to rising prices: Republicans, Independents and Democrats all agree that not one single penny of cuts to Social Security, Medicare or Medicaid benefits should be made. There is absolute bipartisan agreement among people everywhere across the country.

Despite this, the House Republican majority announced proposals to slash trillions from Medicaid, our country's largest provider of long-term care. Over 9 million Americans over 65 rely on Medicaid.

Cuts to Medicaid would force these seniors, and their families, to pay enormous out of pocket costs for long-term care – money they don't have. It would also force millions of caregivers, most often women, out of the workforce. This would make it far harder for American families to pay their monthly bills. In addition, these proposals also include cuts to SNAP benefits, which 4.8 million older Americans rely on to put food on the table.

Just last week, the new Trump Administration repealed an Executive Order from President Biden that directed the federal government to find ways to lower drug prices. The Trump administration is already favoring Big Pharma at the expense of seniors and working families.

There have also been calls by Republicans to repeal the Inflation Reduction Act, which gives Medicare the power to negotiate lower prices on key prescription drugs. This could force many seniors to cut their life-sustaining medications in half due to higher costs. Many others would face a terrible choice between buying food, filling their prescriptions, and paying their heating bills.

Even Social Security, the most popular and effective program in America, is not safe. Last month, a Republican representative, who is a member of the DOGE Caucus, told me personally that "there will be some cuts" to Social Security and Medicare.

Let me be clear: these proposed cuts will do nothing to lower costs for average Americans or older adults; these cuts are being proposed to offset the cost of tax handouts for billionaires and corporations, who have already been shown to be responsible for rising costs. This Congress should value the interests of older adults above the wealthiest, and I hope that the Aging Committee will lead that charge.

Consider this: If an older adult can't afford their drugs and groceries at the average Social Security benefit of \$1900 a month, it is absolute fiscal insanity to think the solution is to cut their income! To take away their health care! To destroy Medicaid and force them to pay the average long-term care cost of around \$100,000 per year! If they can't afford the price of eggs, it is absolute fiscal insanity to believe they can afford them better without SNAP benefits.

I'm here to deliver a message to the members of this committee from older Americans across the country: You don't lower prices by stealing health care. You don't lower prices by giving giant tax cuts to billionaires and price gouging corporations. And you absolutely don't

lower prices by reducing the Social Security and other benefits that adults have worked their entire lives for.

## **Appendices:**

## Appendix A.

Work requirements for safety net programs like SNAP and Medicaid: A punitive solution that solves no real problem," Hilary Wething, January 24, 2025

https://www.epi.org/publication/snap-medicaid-work-requirements/

Proponents claim that adding more work requirements for programs like food stamps (SNAP) and Medicaid will lead to higher levels of employment among low-income adults. But EPI's research shows that this will not address the underlying challenges these adults face in seeking employment. Such requirements will only curb access to food and health care for many benefit recipients.

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Congressional Republicans have recently proposed increases in work requirements for the receipt of some federal government benefits. These proposals seem to be based on an inaccurate belief—that public benefits are so generous, there is no incentive for recipients to seek out paid employment to supplement the money from those benefits. Stricter work requirements—and the burdensome paperwork that will need to be completed to apply for the benefits—will shut out deserving families needing food assistance and health care."

#### Appendix B.

Americans' Views on Social Security," Social Security Works, last updated May 2024 <a href="https://socialsecurityworks.org/2022/08/03/social-security-polling/">https://socialsecurityworks.org/2022/08/03/social-security-polling/</a>

Most Americans want to expand Social Security's modest benefits, and pay for it by asking the wealthiest Americans to pay their fair share. Almost all voters, including almost all Republican voters, reject the idea of cutting Social Security to reduce the national debt.

#### Appendix C.

A majority of Americans oppose cuts to Social Security and Medicare," Camille Keene, January 23, 2025

https://navigatorresearch.org/a-majority-of-americans-oppose-cuts-to-social-security-and-medicare/

This Navigator Research report contains data from a survey on the latest perceptions of public health and health care programs, including Social Security and Medicare, as well as perceptions of a tax plan that would cut these programs, and who Americans see as most likely to benefit from Republicans in Congress' tax plan.

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Among a list of policies related to public health and health care, more than two in three oppose cutting Medicare (85 percent) and cutting Medicaid (81 percent)."

## Appendix D.

Social Security Lifts More People Above the Poverty Line than Any Other Program," Kathleen Romig, updated January 21, 2025

https://www.cbpp.org/research/social-security/social-security-lifts-more-people-above-the-poverty-line-than-any-other

Social Security benefits play a vital role in reducing poverty in every state, and they lift more people above the poverty line than any other program in the United States. Without Social Security, 22.0 million more adults and children would be below the poverty line, according to our analysis using the March 2024 Current Population Survey. Although most of those whom Social Security keeps out of poverty are aged 65 or older, 5.7 million are under age 65, including 959,000 children. Social Security is particularly important for older women and people of color, who have fewer retirement resources outside of Social Security. Depending on their design, reductions in Social Security benefits could significantly increase poverty, particularly among older adults.

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Without Social Security, the poverty rate for those aged 65 and over would meet or exceed 40 percent in nearly a third of states; with Social Security, it is less than 10 percent in nearly two-thirds of states. Social Security lifts more than 1 million older adults above the poverty line in Florida, California, and Texas, and over half a million in New York, Ohio, Pennsylvania, North Carolina, Georgia, and Michigan."

#### Appendix E.

7 Facts About Older Adults and SNAP," National Council on Aging, April 11, 2024 <a href="https://www.ncoa.org/article/7-facts-about-older-adults-and-snap/">https://www.ncoa.org/article/7-facts-about-older-adults-and-snap/</a>

The Supplemental Nutrition Assistance Program (SNAP) is the largest domestic hunger safety net program. SNAP is especially important in helping low-income older adults to achieve food security. But many myths abound."

## Appendix F.

10 Things to Know About Medicaid," Robin Rudowitz, Alice Burns, Elizabeth Hinton, and Maiss Mohamed, June 30, 2023

https://www.kff.org/medicaid/issue-brief/10-things-to-know-about-medicaid/

Medicaid is the primary program providing comprehensive coverage of health care and long-term services and supports to more than 90 million low-income people in the United States.

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Public opinion polling suggests that Medicaid has broad support. Two-thirds of adults in the U.S. say they have ever had a connection with Medicaid; majorities across political parties hold positive views of Medicaid, and seven in ten say that the program is working well for low-income people."

## Appendix G.

The Importance of Medicaid for Older Americans," Alicia H. Munnell, October 22, 2024 https://crr.bc.edu/the-importance-of-medicaid-for-older-americans/

Most people think of Medicare – not Medicaid – when considering government health care for older Americans. However, Medicaid, the program that covers the medical expenses of the poor, spends over \$132 billion a year – 20 percent of its budget – on individuals ages 65 and over.

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Surprisingly, Medicaid is very important for older Americans. Although most people over 65 have Medicare, it does not provide long-term care services and supports, only limited home health care and post-acute care in a skilled nursing facility after a hospital stay."

## Appendix H.

SNAP Polling," Data for Progress, March - April 2023

https://www.filesforprogress.org/decks/2023/dfp\_snap\_deck.pdf

Voters have a highly favorable view of SNAP and even support increasing federal funding for SNAP. Voters are more supportive of increasing SNAP" funding than increasing Food Stamps" funding. Voters are more likely to believe SNAP benefits are too low when presented with a dollar-per-meal framing (instead of benefits-per-month)."

#### Appendix I.

Project 2025's Economic and Health Care Policies Concern Voters," William Diep, October 15, 2024

https://www.dataforprogress.org/blog/2024/10/11/project-2025s-economic-and-health-care-policies-concern-voters

Project 2025 is a set of conservative policy recommendations developed by the Heritage Foundation that serves as a blueprint for the next Republican president to transform the federal government. The policies range from privatizing Medicare and defunding Medicaid to firing thousands of civil service employees, eliminating the Department of Education, and placing the Department of Justice under direct presidential control.

With less than four weeks until the election, new polling from Data for Progress finds that likely voters have heard mostly negative things about Project 2025 and are worried about its policy proposals, including those that would reduce health care and economic benefits for low- and middle-income Americans.

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These findings show that voters, including Independents, are concerned about the economic and health care changes that Project 2025 proposes. Despite Trump's claim that he is not involved with Project 2025, a plurality of voters, including Independents, believe he supports the platform and its many unpopular provisions."

## Appendix J.

Republicans' Proposed Budget Policies Are Unpopular," Abby Springs, April 1, 2024 <a href="https://www.dataforprogress.org/blog/2024/4/1/republicans-proposed-budget-policies-are-unpopular">https://www.dataforprogress.org/blog/2024/4/1/republicans-proposed-budget-policies-are-unpopular</a>

The Republican Study Committee — which represents nearly 4 in 5 members of the House Republican caucus — recently released a budget that targets Social Security, Medicare, the Affordable Care Act, and other popular government programs. However, new polling from Data for Progress finds that these elements of the RSC's budget proposal are widely unpopular with voters.

The RSC budget advocates cutting funding for Medicare, Medicaid, Social Security, the Affordable Care Act (ACA), housing assistance, and the Children's Health Insurance Program (CHIP). When voters are asked whether they support increasing funding, cutting funding, or keeping funding the same for these programs, voters overwhelmingly reject funding cuts.

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Overall, the results indicate that policies included in the Republican Study Committee budget are extremely unpopular among the electorate. Voters would prefer to see funding for Social Security, Medicare, and other popular government programs increased, not slashed."