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Your COLA Would be Higher With a Better Index

BY EDWARD CATES, CHAIRMAN, TSCL

This October, the Social Security Administration announced that the 2025 COLA, implemented this month, would be 2.5 percent. This increase is the average yearly inflation for the third quarter of 2024 (August to October) for the Consumer Price Index for Urban Wage Earners (CPI-W).

This COLA is far too low. Seniors know that it hasn't kept up with rising prices for essentials like food and groceries, let alone big-ticket items like housing and transportation. It's emblematic of the government's failure to secure our dignity and wellbeing.

However, there's a simple solution that would improve the situation: Use a price index other than the CPI-W that better reflects seniors' budgets. And luckily, such a price index already exists. The Consumer Price Index for the Elderly (CPI-E) is custom-made to track the inflation

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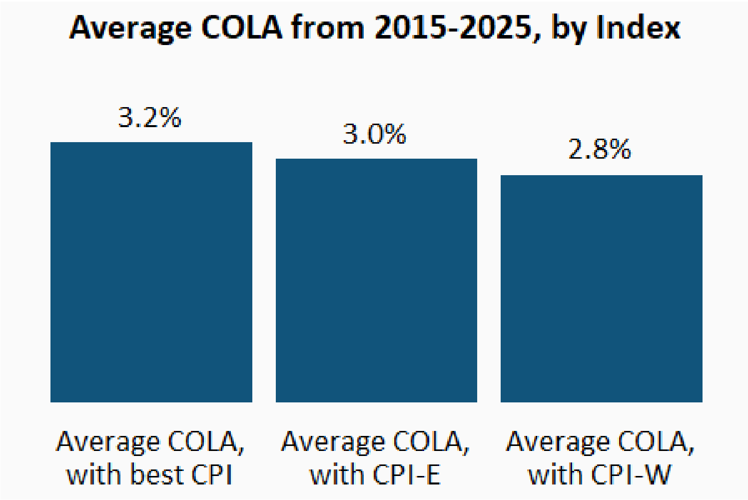
experienced by older Americans, and the government simply doesn't use it to calculate the COLA.

For 2025 alone, the COLA would be 3 percent using the CPI-E instead of CPI-W's 2.5 percent, which would have meant that the average Social Security payment for retired workers would have increased by $58 instead of the $48 we actually received. While this difference may seem small, it would make a massive difference over time.

Look at the chart on the next page. Since 2015, the CPI-E has averaged 3 percent, compared to 2.8 percent for the CPI-W. If we assume that trend was to continue over the next 10 years, starting from 2024's average payment for retired workers of $1,924, retirees' cumulative payments would increase by more than $3,000 using the CPI-E to calculate the COLA instead of the CPI-W.

The difference is even more pronounced if we go one step further and use the better of the CPI-E and CPI-W to calculate the COLA. From 2015 to 2025, a COLA that used this methodology would have averaged 3.2 percent. Again, if we assume this trend continues over the next 10 years, starting from 2024's average payment for retired workers of $1,924, retirees' cumulative payments would be more than $6,000 higher.

These figures alone are enough to make a compelling case to switch the COLA to the CPI-E or begin using the better of the CPI-E or CPI-W to calculate the COLA each



year. A difference of several thousand dollars over a decade is the difference between seniors being able to afford a down payment for a new vehicle, an expensive medical procedure, or just enough groceries to get by every month.

That said, at TSCL, we believe that changing the COLA calculation should only be the starting point of Social Security reform. We know that seniors demand a minimum COLA of 3 percent, with higher increases in years with higher inflation. We also know that seniors want to see fiscal reforms that will fund the program not through just their retirements, but their grandchildren's retirements.

That's why we'll never stop fighting for you. American seniors deserve better, and it's our mission to ensure that better happens.

That's why I encourage you to take our **2025 Senior Survey**. There's more information at the end of the newsletter, but this research project will create a free, data-driven report that we can use to let decision makers know where seniors stand. **Click here to take it now.**

Social Security Fairness Act Passes the Senate

BY DAISY BROWN, LEGISLATIVE LIAISON, TSCL

Seniors have cause to rejoice. The Social Security Fairness Act, a bipartisan bill long in the making, finally passed the U.S. Senate and was signed into law on January 6th after a grueling legislative process. We've covered the bill here before in the Advisor because TSCL endorses it and has made a concerted effort to help get it passed. The bill would eliminate two rules that reduce payments to retirees who have public pensions—like police officers, teachers, and firefighters—and their surviving spouses and family members.

While this bill obviously sounds fair, certain members of Congress fought it tooth and nail at every step of the legislative process. It was introduced in the House all the way back in January 2023 and received strong bipartisan support. However, it remained stuck in committee until September 2024, when its sponsors (Democrat Abigail Spanberger and Republican Garret Graves) filed what's called a discharge position. Signed by 218 members of Congress, the petition forced the Speaker of the House to call a vote within seven legislative days.

In retaliation for the discharge petition, which is a rare motion that expedites the standard legislative system, Speaker of the House Mike Johnson delayed the vote as long as he could. He took advantage of a recess between the petition's passage and the presidential election, forcing us to wait until November for a vote. The bill passed the House on November 12, which created a whole new problem. With a new Congress incoming, the Senate only had until the end of 2024 to revise the bill, pass its version, and negotiate with the House.

Luckily, in a rare show of functionality, the Senate was able to step up and finish the job. It passed the Social Security Fairness Act passed on December 21, and President Biden signed it on January 6th.

This is a massive win for seniors, TSCL, and Congress. The bill will secure fairer payments for millions of today's and tomorrow's seniors who dedicated their professional lives to serving their communities.

It's a sign that our advocacy works. Throughout the legislative process, TSCL regularly met with Representative Spanberger's and Representative Grave's offices to discuss the strategy for bringing a bill to a vote. Letters from TSCL supporters across the country helped nudge Congress to vote.

For Congress, this bill is a sign that we can overcome gridlock for topics that really matter. Even though certain factions threw everything they could at this popular bill to stop it from becoming law, it prevailed. Now, the next step is to keep going. At TSCL, we urge Congress to take advantage of this momentum and push serious Social Security reform.

Medicare to Begin Covering Traditional Health Practices for Native Americans

BY ALEX MOORE

According to the Centers for Medicare & Medicaid Services (CMS), American Indians and Alaska Natives experience severe health disparities compared to the general U.S. population and are more likely to struggle with obesity, diabetes, cancer, mental illnesses, and other afflictions. While many Indigenous people have long seen traditional healthcare practices as key to improving these outcomes, Medicare has never covered them.

Luckily, that's changing. In October, CMS made a rule change that will allow Medicaid and the Children's Health Insurance Program (CHIP) to cover traditional healthcare practices provided by Indian Health Service (IHS) facilities, tribal facilities, and Urban Indian Organizations (UIOs).

IHS director Roselyn Tso, who is a member of the Navajo Nation, lauded the policy update. "American Indian and Alaska Natives have been endowed by our ancestors a deep and priceless wealth of traditional healing knowledge," she said in a CMS press release. "We appreciate the Administration's commitment to move forward with covering this care, and IHS is honored to be a partner in this essential work."

CMS expects the change to primarily benefit tribal communities in Arizona, California, New Mexico, and Oregon, and it will have a big impact. IHS alone is the 17th-largest healthcare system in the U.S. Additionally, Medicare and CHIP are important sources of health coverage for American Indians and Alaska Natives, according to the health-focused think tank KFF. Beyond just covering older members of these communities, the programs cover about 23 percent of nonelderly American Indians and Alaska Natives.

On Providers Changing Networks

BY SUSAN STEWART, LICENSED INSURANCE AGENT

Medicare Open Enrollment has ended for 2025, and one of the biggest challenges I've seen across all 37 states I'm licensed in this year is providers, including primary care providers, specialists, and hospitals, leaving their networks with little to no notice.

How can I tell? One of the neat things about my job is that I have a tool to look up providers across the country and determine what networks they belong to. Think about that for a minute. This tool includes all the physicians' assistants, nurse practitioners, medical doctors, specialists of every description, dentists, optometrists, rural clinics, and so on. Providers' contracts are subject to change at any time, which causes the tool to fail and requires us to search for provider information on carrier websites (I like to double-check the website anyway). This year, I've noticed the tool fails as a result of network changes much more often than last year.

When providers leave a network with little notice, it leaves patients and beneficiaries in the lurch and suddenly without someone important. I put one beneficiary on a plan about a month ago. He called me two weeks later to tell me he'd gotten a call from an insurance agent from a doctor's office. This agent told him to change to this plan so he could keep that one doctor who would be gone from the plan at the end of the month. That's risky. The beneficiary had someone trying put him on another plan with no consideration for the other benefits or providers that could be important.

Why is this happening? Why are providers leaving their networks? As an expert in the field, my educated guess is that it comes down to dollars and cents. Providers can't be paid for their services with chickens and homemade blankets anymore. Maybe carriers are too slow to pay, and agreed fees for service are too low even to cover provider costs. Perhaps fair and agreed-upon pricing alone isn't sufficient for providers with profit margins to meet. It's a complex issue with no straightforward solution or clear culprit.

So, what can you do to help your insurance keep up with your providers' changing networks?

Here's the key takeaway.

Help your agent help you. While your agent seems to be fumbling around trying to figure out providers, be patient. Know about your providers. Names and addresses are essential. Have them written down so you can spell them. The more information you have about a provider, the easier it will be for me to place you in a plan that will allow you to keep them.

If you get a letter from your doctor or hospital that they no longer participate in your plan or carrier, do not wait to do something about it. Be diligent and savvy on your own behalf. Arm yourself with the knowledge to create the best outcome you can. Be your own best advocate.

Take the 2025 Senior Survey!

Wait! Before you close this issue, please take a moment to take TSCL's **2025 Senior Survey**!

The **Senior Survey** is a critical piece of research that TSCL uses to understand you, our members. It provides you the opportunity to let us know how you feel about:

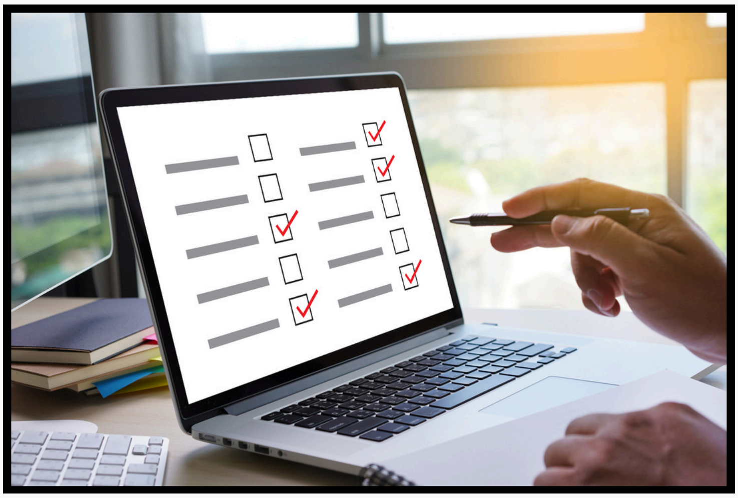
- Your Social Security benefits
- Your Medicare Benefits
- Policy proposals to reform your benefits.

Plus, for the first time this year, we'll be making the results available to you. Once the survey is completed, we'll prepare a detailed report, then make sure to share it with you!

The survey will take about 15-20 minutes to complete. Your response will be completely anonymous. You can preview the questions on the following pages.

Please click the button below to take the suvey now!

TAKE THE SURVEY!



2025 Retirement Survey

Section 1 – Retirement Status

- Have you begun claiming your Social Security retirement benefits?
  - Yes.
  - No, but I am eligible.
  - No, and I am not eligible.

- How many years are you away from claiming your Social Security retirement benefits?
  - 0-2 years
  - 3-5 years
  - 6-10 years
  - 10+ years

- What is your retirement status?
  - I no longer work.
  - I did not work prior to claiming my benefits.
  - I left the workforce when I retired but have since returned to work.
  - I remained in the workforce with reduced hours and/or responsibilities.

- When did you first claim your Social Security retirement benefits? Please choose the option that best describes your situation.
  - When I first became eligible (age 62).
  - After I first became eligible but before I reached full retirement age.\At full retirement age (between age 66-67 depending on birth year).
  - After full retirement age.

- Why did you choose to claim your benefits before full retirement age? Please select all that apply.
  - I did not know my benefits would be penalized.
  - I could not afford to cover basic expenses without them.
  - To handle a financial emergency.
  - To handle a medical emergency or address a medical issue.
  - To pay off debt.
  - To coordinate payments with my spouse.
  - I knew about the penalty to my benefits but did not care.
  - None of the above.

- What is your estimated total monthly take-home income, after taxes and other deductions?
  - $0 to $1,000
  - $1,001 to $2,000
  - $2,001 to $3,000
  - $3,001 to $4,000
  - $4,001 to $5,000
  - $5,001 to $6,000
  - $6,001 or more
  - Unsure

- Approximately what percentage of your income comes from your Social Security retirement benefits?
  - Less than 25%.
  - 26% to 50%
  - 51% to 75%
  - 76% to 99%
  - 100%
  - Unsure

Section 2 – COLA Satisfaction

- Overall, how satisfied are you with the amount you receive from your monthly Social Security benefit check(s)?
  - Satisfied
  - Neither satisfied nor dissatisfied
  - Dissatisfied

- Based on your economic experience, what would you expect U.S. inflation to have been in 2024?
  - Between 0% and 0.99%
  - Between 1% and 1.99%
  - Between 2% and 2.99%
  - Between 3% and 3.99%
  - Between 4% and 4.99%
  - Between 5% and 5.99%
  - Between 6% and 6.99%
  - 7% or above
  - Unsure

- You said that you believed U.S. inflation in 2024 was above 7%. How high do you think it was? Please enter a percentage between 7% and 100%.

- The Social Security Cost-of-Living Adjustment (COLA) is 2.6% for 2025. Which of the following statements best describes how you feel about this COLA?
  - This COLA is fair, and my benefits will keep pace with inflation.
  - This COLA is too low, and my benefits will fall behind inflation.
  - This COLA is too high, and my benefits will grow faster than inflation.

Section 3 – Medicare Satisfaction

- Have you started receiving Medicare benefits?
  - Yes.
  - No.

- Overall, how satisfied are you with the cost of your Medicare benefits?
  - Very satisfied
  - Somewhat satisfied
  - Not satisfied

- Overall, how satisfied are you with the coverage of your Medicare benefits?
  - Very satisfied
  - Somewhat satisfied
  - Not satisfied

- How much did you spend per month on all healthcare costs in 2024? Please include all Medicare premiums, insurance premiums, co-pays, and out-of-pocket costs for all your medical needs, including dental and vision needs.
  - $0 to $200
  - $201 to $400
  - $401 to $600
  - $601 to $800
  - $801 to $1,000
  - $1,001 or more
  - Unsure

- How much did you spend per month on out-of-pocket costs for prescription drugs in 2024? Please do not include what you pay for Part D or Medicare Advantage plan premiums.
  - $0 to $50
  - $51 to $100
  - $101 to $166.67 (the 2025 out-of-pocket limit)
  - $166.68 to $200
  - $201 to $400
  - $401 to $600
  - $601 to $666.67 (the 2024 yearly out-of-pocket limit)
  - More than $666.67
  - Unsure

Section 4 – Policies

TSCL's research found that Social Security benefits lost approximately 20% of their buying power between 2010 and 2024 due to cost-of-living-adjustments (COLAs) that do not keep up with inflation.

- Which of the following policies would you support to raise future COLAs for Social Security benefits?
    - Calculating COLAs with an inflation index that better represents seniors' economic experiences.
    - Guaranteeing a 3% minimum COLA.
    - Providing a one-time $4,098 catch-up payment to make up for COLA shortfalls.
    - Providing a one-time $1,400 senior stimulus to make up for COLA shortfalls.
    - None of the above.

Social Security is facing a financial crisis because the program costs more money than it brings in. If Congress fails to act, benefits will be reduced by 20 percent starting in 2034 due to budget shortfalls.

- Which of the following policies would you support to address this issue? Please select all that apply.
    - Raising the full retirement age for Social Security from 67 to 70.
    - Creating a fast-track process for Congress to vote on Social Security legislation.
    - Increase the Social Security payroll tax rate. (currently 6.2 percent for employees and 6.2 percent for employers)
    - Eliminate the limit on earnings that are subject to Social Security payroll taxes. ($176,100 in 2025)
    - Applying the 6.2 percent Social Security employee payroll tax to investment income for high earners.
    - Require the government to invest Social Security payroll taxes in stocks, bonds, and other assets.
    - Reduce Social Security cost-of-living adjustments (COLAs).
    - None of the above.

Under current law, the income thresholds that make up to 85% of Social Security benefits eligible for taxation have never been adjusted for inflation since being established in 1984. You will pay federal income taxes on your benefits if your combined income (50% of your benefit amount plus any other earned income) exceeds $25,000/year filing individually or $32,000/year filing jointly.

- Which of the following approaches would you support to modernize the taxation threshold for Social Security income?
  - Provide a one-time adjustment to catch the thresholds up to today's dollars.
  - Implement an annual adjustment that helps the thresholds keep pace with future inflation.
  - None of the above.

- In your opinion, how much of a priority should Social Security and Medicare reform be for the Presidential administration and Congress?
  - A top priority
  - A high priority
  - A moderate priority
  - A low priority
  - Not a priority

- If the new Presidential administration and Congress pursue Social Security and Medicare reform, which aspect of the programs would you most like to see them prioritize?
  - Social Security's COLAs
  - Social Security's long-term finances
  - Medicare premiums
  - Medicare prescription drug access
  - Simplifying Medicare plan selection
  - Waste in the Social Security and Medicare budgets

Section 5 – Demographics

- What is your zip code?

- How old are you? Please enter a whole number.

- What is your gender?
  - Male
  - Female
  - Other

- What is your ethnicity?
  - Hispanic or Latino
  - Not Hispanic or Latino

- What is your race?
    - White
    - Black or African American
    - American Indian or Alaska Native
    - Asian
    - Native Hawaiian or Other Pacific Islander
    - Some other race
    - Multiracial

- Do you own or rent your primary residence?
    - Own
    - Rent

- What is your highest level of education?
    - Did not graduate high school
    - High school/GED
    - Some college, no degree
    - Associate’s degree
    - Bachelor’s degree
    - Master’s degree
    - Professional or doctoral degree (e.g., MD, JD or PhD)

- How would you characterize your political leanings?
    - Democrat
    - Republican
    - Independent
    - Other