1-24-2012

Legislative Alert: Fiscal Responsibility and Retirement Security Act (H.R. 1173)

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AFL-CIO

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Abstract
[Excerpt] On behalf of the AFL-CIO, I am writing to urge you to oppose H.R. 1173, the Fiscal Responsibility and Retirement Security Act. Contrary to its title, this bill would undermine efforts to enhance retirement security through outright repeal of the Community Living Assistance Services and Supports (CLASS) program.

Keywords
AFL-CIO, Legislative Alert, Fiscal Responsibility and Retirement Security Act, H.R. 1173

Comments
Suggested Citation

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January 24, 2012

Dear Representative:

On behalf of the AFL-CIO, I am writing to urge you to oppose H.R. 1173, the Fiscal Responsibility and Retirement Security Act. Contrary to its title, this bill would undermine efforts to enhance retirement security through outright repeal of the Community Living Assistance Services and Supports (CLASS) program.

The CLASS Act was enacted as part of health care reform legislation to address a fundamental gap in health coverage. People receiving long-term care services and supports face daunting expenses. Nursing home expenses average $78,000 a year, and long-term services received at home cost an average of $21,600 annually. Few Americans have insurance to cover these services. About 3 percent have a private policy covering long-term care, but most must spend their way into poverty to qualify for Medicaid safety-net coverage of these costs.

The CLASS program was designed to fill this gap by providing lifetime long-term services and supports coverage without underwriting. Furthermore, recipients of the benefits would have unprecedented choice in choosing which services best meet their needs. The program would be voluntary and self-supporting, funded by premiums paid by participants. In planning for the implementation of CLASS, the Department of Health and Human Services found that statutory changes to the program are needed to make it work as intended.

Repealing the CLASS program would do nothing address the glaring need for adequate coverage of long-term services and supports. We look forward to working together with you and the administration to establish an improved approach to ensure that average Americans can access these services without facing bankruptcy.

Sincerely,

William Samuel, Director
GOVERNMENT AFFAIRS DEPARTMENT