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How a Clinton, Trump, or Johnson Win Will Impact Near and Current Retirees, Part 2



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This is Part 2 of my 2-Part series on how a Republican, Democratic, or Libertarian presidential win would impact a person who is near retirement or recently

retired. In Part 1, I focused on each candidate's positions on Social Security. This part will focus on Medicare, Medicaid, and will touch on other issues that are worth a second glance from near and current retirees. To quickly review, Medicare is a federal program that provides health coverage if you are 65 or older or have a severe disability, no matter your income. Medicaid is a state and federal program that provides health coverage if you have a very low income.

I have written the below with no personal bias, just facts, and I have placed the candidates in random and rotating order throughout the series. Let's dive right in.

Medicare

According to the US Census Bureau, in July 2015 there were 47.89 million individuals over 65 living in the US and Puerto Rico. In 2015, there were over 55 million Medicare beneficiaries. How is this possible? Well, though the usual age for eligibility of Medicare benefits is 65, certain people qualify for the program earlier. Also, there are retirees residing in foreign countries, outlying areas, and within the following territories: American Samoa, Guam, the Northern Mariana Islands, and the US Virgin Islands. The point is, there are a large amount of retirees on Medicare in one form or another making a presidential candidate's stance on Medicare important to ALL near and current retirees (except perhaps for the mega-wealthy).

Moreover, employer- and union-sponsored retiree benefits are on the decline leaving retirees to depend solely on Medicare, without supplemental coverage, leading them to face multiple deductibles and cost-sharing requirements. This fact heightens the impact of candidate's Medicare stance on near and current retirees. Additionally, there have been recent reports stating that Social Security and Medicare are facing insolvency within the next 20 years making your judgment on the below Medicare positions a balancing act. You must weigh both the health care aspect and how a potential insolvency's economic impact will hit your finances and the younger people you care about.

- **Candidates' Positions**

- In a recent CNN Libertarian Town Hall, presidential candidate Gary Johnson said that he supports Medicare and Medicaid reform. Though Johnson has yet to speak

to the media this election cycle on the topic in depth or write his Medicare position on his official website, he did discuss the topic during his 2012 presidential campaign. During which Johnson stated that he would cut Medicare spending. He said that the current system was “absolutely not sustainable” and needs reform. He also hinted at new methods/more vetting of Medicare beneficiaries.

- Hillary Clinton has said that if elected, she will continue to fight to protect and strengthen Medicare. Specifically, Clinton states that she will fight attempts to repeal the Affordable Care Act and to privatize or “phase out” Medicare. She also states that she would negotiate for lower drug prices with the drug and biologic manufactures; demanding higher rebates; and would continue to reward quality and improve value in Medicare by building on delivery system reforms that began as initiatives and pilot projects under the Affordable Care Act.
- Donald Trump has stated that he will work with Congress to repeal the Affordable Care Act and “create sound public policy that will broaden healthcare access, make healthcare more affordable and improve the quality of the care available to all Americans.” Trump’s official website does not address Medicare, but does address Medicaid wherein he says that he will “block-grant Medicaid to the states” as the state governments “know their people best and can manage the administration of Medicaid far better without federal overhead.” To date, Trump has not specifically weighed in on Medicare spending cuts.

Beyond Medicare and Social Security, there are other issues that can affect your retirement. And, I encourage you to further explore the candidates’ positions on these issues and the potential impact of their positions on your financial life. Areas such as tax reform, minimum wage increases, financial regulations

(such as the Department of Labor fiduciary rulings that can impact the quality of the financial advice you receive from professionals), international trade, and also the candidates' views on the current Federal Reserve Chairwoman [Janet Yellen](#) and who they might nominate to the Fed if given the chance.

Because each retirement is unique, it's hard to say how each of these positions would impact retirees as a whole. I said at the beginning of Part 1 that I write about what my clients ask me. My job as a financial advisor is to listen to my clients' questions, arm them with the correct information, and then give them my professional advice or opinion. With this series, I chose to give you accurate information so that you can relate it to your unique situation and make your own educated opinion.

Don't forget to vote!