‘Unimaginable destruction’: Hurricane smashes rows of houses

By JAY REEVES AND BRENDAN FARRINGTON
Associated Press

PANAMA CITY, Fla. — The devastation inflicted by Hurricane Michael came into focus Thursday with rows upon rows of homes found smashed to pieces, and rescue crews began making their way into the stricken areas in hopes of accounting for hundreds of people who may have stayed behind.

At least three deaths were blamed on Michael, the most powerful hurricane to hit the continental U.S. in over 50 years, and it wasn’t done yet: Though reduced to a tropical storm, it brought flash flooding to North Carolina and Virginia, soaking areas still recovering from Hurricane Florence.

AP Photo/Chris O’Meara

Rows of homes destroyed by Hurricane Michael are shown in this aerial photo Thursday in Mexico Beach, Fla.

Under a perfectly clear blue sky, families living along the Florida Panhandle emerged from darkened shelters and hotels to a perilous landscape of shattered homes and shopping centers, beeping security alarms, wailing sirens and hovering helicopters.

Gov. Rick Scott said the Panhandle woke up to “unimaginable destruction.”

“So many lives have been changed forever. So many families have lost everything,” he said.

The full extent of Michael’s fury was only slowly becoming clear, with some of the hardest-hit areas difficult to reach because of roads blocked by debris or water. An 80-mile stretch of Interstate 10, the main east-west route along the Panhandle, was closed.

Some of the worst damage was in Mexico Beach, where the hurricane crashed ashore Wednesday as a Category 4 monster with 155 mph winds and a storm surge of 9 feet.

Video from a drone revealed widespread devastation across the town of about 1,000 people.

Entire blocks of homes near the beach were obliterated, reduced to nothing but concrete slabs in the sand. Rows and rows of other homes were turned into piles of splintered lumber or were crumpled and slumped at odd angles. Entire roofs were torn away and dropped onto a road.

State officials said 285 people in Mexico Beach had defied a mandatory evacuation order ahead of the storm.

National Guard troops made their way into the ground-zero town and found 20 survivors Wednesday night, and more rescue crews were pushing into the area, with the fate of many residents unknown.

Mishelle McPherson and her ex-husband searched for the elderly mother of a friend. The woman lived in a small cinderblock house about 150 yards from the Gulf and thought she would be OK. The home was found smashed, with no sign of the woman.

“Do you think her body would be here? Do you think it would have floated away?” McPherson asked.

As thousands of National Guard troops, law enforcement officers and medical teams fanned out, the governor pleaded with people in the devastated areas to stay away for now because of hazards that included fallen trees and power lines.

“I know you just want to go home. You want to check on things and begin the recovery process,” Scott said. But “we have to make sure things are safe.”

Over 900,000 homes and businesses in Florida, Alabama, Georgia and the Carolinas were without power.

The Coast Guard said it rescued at least 27 people before and after the hurricane came ashore, mostly from homes along the Florida coastline, and searched for more victims.

Social Security checks will grow in 2019

By RICARDO ALONSO-ZALDIVAR
Associated Press

WASHINGTON — Tens of millions of Social Security recipients and other retirees will get a 2.8 percent boost in benefits next year as inflation edges higher. It’s the biggest increase most retired baby boomers have gotten.

Following a stretch of low inflation, the cost-of-living adjustment, or COLA, for 2019 is the highest in seven years. It amounts to $39 a month for the average retired worker, according to estimates released Thursday by the Social Security Administration.

The COLA affects household budgets for about one in five Americans, including Social Security beneficiaries, disabled veterans and federal retirees. That’s about 70 million people, enough to send ripples through the economy.

Unlike most private pensions, Social Security has featured inflation protection since 1975. Beneficiaries also gain from compounding since COLAs become part of their underlying benefit, the base for future cost-of-living increases.

Nonetheless many retirees and their advocates say the annual adjustment is too meager and doesn’t reflect higher health care costs for older people. Federal budget hawks take the opposite view, arguing that increases should be smaller to reflect consumers’ penny-pinching responses when costs go up.

With the COLA, the estimated average monthly Social Security payment for a retired worker will be $1,461 a month next year.

“For more recent retirees, the 2019 COLA will be the largest increase they have gotten to date,” said policy analyst Mary Johnson, of the nonpartisan Senior Citizens League.

But retiree Danette Deakin, of Bolivar, Missouri, said she feels as though her cost-of-living adjustment is already earmarked for rising expenses.

Her Medigap insurance for costs not covered by Medicare is going up, and so is her prescription drug plan. She expects her Medicare Part B premium for outpatient care will also go up.

“It isn’t enough of an increase that it takes care of all of the increases from health care, plus rent — our rent gets increased every year,” said Deakin, 70, who worked in the finance department at a boat dealership.

Health care costs eat up about one-third of her income, she estimated.

“I appreciate the COLA adjustment, and in no way am I complaining,” Deakin added. “It’s just that every single thing you can talk about goes up. It doesn’t go down.”

By law, the COLA is based on a broad index of consumer prices. Advocates for seniors say the general index doesn’t accurately capture the rising prices they face, especially for health care and housing. They want the government to switch to an index that reflects the spending patterns of older people.

“What the COLA should be based on is still a very real issue,” said William Arnone, CEO of the National Academy of Social Insurance, a research organization not involved in lobbying. “Older people spend their money in categories that are going up at a higher rate than overall inflation.”

The COLA is now based on the Consumer Price Index for Urban Wage Earners and Clerical Workers, or CPI-W, which measures price changes for food, housing, clothing, transportation, energy, medical care, recreation and education.

Advocates for the elderly would prefer the CPI-E, an experimental measure from the government that reflects costs for households headed by a person age 62 or older. It usually outpaces general inflation, though not always.

COLAs can be small or zero, as was the case in several recent years. People often blame the president when that happens. However, the White House can’t dictate the COLA, which is calculated by nonpolitical experts.

President Donald Trump has repeatedly vowed not to cut Social Security or Medicare. But the government is running $1 trillion deficits, partly as a result of the Republican tax cut bill Trump signed. Mounting deficits will revive pressure to cut Social Security, advocates for the elderly fear.

“The revenue loss in the tax bill contributes to much higher deficits and debt, and that is where the threats begin to come in,” said David Certner, policy director for AARP. “Social Security, and in particular the COLAs, have been the target.”

Former President Barack Obama floated — but ultimately dropped — a proposal called chained CPI, which would have slowed annual COLAs to reflect penny-pinching by consumers. Behind it is the idea that when the price of a particular good or service rises, people often respond by buying less or switching to a lower-cost alternative.

Because of compounding, smaller COLAs would have a dramatic effect over time on the federal budget and Social Security finances. But if inflation continues to rise, proposals to scale back cost-of-living adjustments carry greater political risk.

Beyond federal budget woes, Social Security faces its own long-term financial problems and won’t be able to pay full benefits starting in 2034.

Social Security is financed by a 12.4 percent tax on wages, with half paid by workers and the other half paid by employers. Next year, the maximum amount of earnings subject to the Social Security tax will increase from $128,400 to $132,900.