



FRIDAY ALERT



Alliance for Retired Americans

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Alliance Celebrates Medicare's Birthday with Events from Coast to Coast

The Alliance continued to mark Medicare's July 30 56th birthday this week, calling on Congress to strengthen the program by negotiating lower drug prices. Alliance members are also urging Congress to use the savings from lower drug prices to add dental, hearing and vision benefits to Medicare.

Alliance chapters have held events in 10 states since last Friday, with several of the events featuring Members of Congress and compelling stories from seniors who have had to face exorbitant drug prices.



Rep. John Yarmuth joined Kentucky Alliance members last weekend, and **Rep. Cindy Axne** (IA) received a Retiree Hero Award for her 100% pro-retiree voting record. **Rep. Gwen Moore** (WI) accepted the same award from Wisconsin Alliance members.

Today Oregon Alliance President **Everice Moro** joined **Sen. Jeff Merkley** and **AFSCME President Lee Saunders** for an anniversary celebration, and Washington State Alliance President **Jackie Boschok** participated in a news conference with **Rep. Kim Schrier** and **Brad Woodhouse**,

Rally for Medicare and Voting Rights in Cleveland, Ohio on July 23.

executive director of Protect Our Care. In North Carolina, **Rep. David Price** delivered a videotaped message to Alliance members.

Florida Alliance members are holding three events. They shared an anniversary cake at the Tallahassee City Hall and gave **Rep. Al Lawson** his Retiree Hero Award. Following the celebration, a small group went to **Sen. Marco Rubio's** office in the State Capitol and urged him to support allowing Medicare to negotiate prescription drug prices.

"Alliance members have been doing what they do best this week, powerfully telling lawmakers why drug prices must be lowered," said **Richard Fiesta**, Executive Director of the Alliance. "Older Americans strongly support Medicare, but it's time to strengthen and expand the program, and make sure all beneficiaries have guaranteed dental, hearing and vision care."

Medicare Part D Enrollees Are Paying Thousands Out-of-Pocket Above the Catastrophic Threshold, Far More than Expected

A new report from the [Kaiser Family Foundation](#) found that 1.5 million Medicare Part D enrollees spent more than \$5,100 in 2019 for prescription drugs, four times the number of beneficiaries in that position in 2010. The increase is directly correlated to big pharmaceutical corporations increasing their prices, according to the researchers.

Today Medicare Part D, the outpatient prescription drug benefit for Medicare beneficiaries, has no cap on the amount beneficiaries have to spend out-of-pocket each year at the pharmacy counter. Instead, the program has a catastrophic threshold level, above which they pay 5% of their total drug costs, unless they qualify for additional subsidies. However, there are ongoing, bipartisan efforts to introduce a hard cap on out-of-pocket expenses.

In 2021, the catastrophic threshold is \$6,550. With no hard cap on out-of-pocket drug spending, Medicare beneficiaries without low-income subsidies who have conditions such as cancer, multiple sclerosis, rheumatoid arthritis, or hepatitis C may pay thousands of dollars in out-of-pocket costs for their medications after exceeding the catastrophic threshold.

"Congress must take action to lower drug prices now," said **Joseph Peters, Jr.**, Secretary-Treasurer of the Alliance. "Last year the House of Representatives passed legislation that would cap out-of-pocket drug spending at \$2,000, but it died in the Senate. Life-saving drugs should be affordable for all who need them."

Doctors Hand Big Pharma a Loss in Bipartisan Infrastructure Bill Negotiations

Hospital and doctors' groups successfully lobbied to save Covid-19 relief money intended for their members while [pharmaceutical corporations are expected to lose billions](#) of dollars if the bipartisan infrastructure deal reached by the Senate Wednesday is enacted.

Media reports said that the senators who negotiated the bill considered paying for some of the legislation by clawing back \$43.7 billion in unspent Covid-19 relief funds designated to health care providers, but decided against it. **Sen. Ron Wyden** (OR) confirmed that the Senate did not touch these funds, saying that the health care providers may very well use the funds in the coming weeks, since coronavirus cases are again going up.

Instead, the bipartisan negotiating group decided to fund the bill in part by delaying a **Trump**-era regulation to end some pharmaceutical rebates and requiring refunds from drugmakers for some kinds of physician-administered single-use medicines, a decision likely to cost big pharma millions of dollars.

“The wealthy drug corporations appear to have lost a windfall they received under the last Administration,” said **Robert Roach, Jr.**, President of the Alliance. “We hope this is an indication that Congress is finally willing to rein in drug corporation profits.”

Staffing Shortages, High Turnover Make Finding Home Care for Older Adults Even Harder

At the start of the coronavirus pandemic, many folks feared bringing outsiders into their homes and released their caregivers, opting instead for family care. Now, as the country seeks out caregivers to rehire, there are very few available. Staffing shortages for home care were already a problem before the pandemic, but [now the issue is even worse](#).



The Bureau of Labor Statistics estimated job losses of 342,000 in the direct care workforce in 2020 — including nursing home and other residential care and home care staff. The losses came through layoffs and from people resigning due to health problems, fears related to Covid, lack of child care and other impediments. In addition to labor shortages, the caregiving industry is still coping with incredibly high turnover rates of about 66% this year.

Terry Driscoll, right, with her husband, Ken, who suffers from Alzheimer's disease. She has been hoping to bring him home from institutionalized care, but can't find a home health aide.

Making the problem worse, a return to workplaces means that many adult children can no longer provide elder care. With more than 800,000 older and disabled people who qualify for Medicaid on state waiting lists for home care, agencies serving private-pay clients are turning away business.

“Home care is a critical part of making sure that older Americans can age gracefully and remain in a comfortable environment,” said Executive Director **Fiesta**. “Staffing shortages and high turnover lower the quality of care we can provide, but we know the solution: Congress must pass the Better Care Better Jobs Act, S.2210, to solve these problems.”