

FRIDAY ALERT



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January 12, 2018

HHS Nominee Azar Supports Bill that would Lead to Drastic Medicaid Cuts

President **Trump's** nominee to be the Secretary of the U.S. Department of Health and Human Services, **Alex Azar**, formerly the head of pharmaceutical giant Eli Lilly's U.S. operations, faced



his first [confirmation hearing](#) on Tuesday. Azar said he supports the **Graham-Cassidy-Heller** bill, legislation that failed in Congress earlier this year that would have converted Medicaid and the Obamacare marketplace subsidies into block grants that would shrink over time.

GOP leaders have vowed to bring this bill back in 2018, and it looks as if Azar would be a strong ally in the effort if confirmed.

Alex Azar at his confirmation hearing

States that expanded Medicaid under the Affordable Care Act (ACA) would be hardest hit, losing tens of billions of dollars.

“Allowing Alex Azar to wield so much power threatens vital programs that many Americans need to maintain their health and standard of living,” said **Robert Roach, Jr.**, President of the Alliance. “He should not be confirmed.”

Senate Democrats pressed Azar to say how he would fight skyrocketing drug prices — demanding to know why they should trust him to lower costs since he did not do so while at Eli Lilly. Azar disputed that Graham-Cassidy would cut billions in funding for Medicaid and insurance subsidies for low-income patients, saying he did not believe slowing the rate of growth to be a cut.

U.S. Life Expectancy Drops

The United States is one of the wealthiest nations in the world but it is far from the healthiest. Americans are [living shorter](#) lives than previous generations, and are dying earlier than similarly situated people in other parts of the world. The Centers for Disease Control (CDC) released a report recently detailing the troubling development. According to the CDC, life expectancy has fallen two years in a row. The average life expectancy at birth in the U.S. fell by 0.1 years in both 2015 and 2016, and is now at 78.6 years. This is the first time in 50 years that this drop has occurred in consecutive years.

Many blame the rising opioid epidemic, which is a major factor, but fail to recognize another culprit: shortcomings in the American healthcare system. U.S. physicians are more apt to prescribe opioids than physicians in other developed nations. This has sent the sales of opioids skyrocketing, and the number of addicts has risen simultaneously.

Increased regulation of the pharmaceutical corporations would be one way to address the problem. The role of drug corporation practices in the opioid crisis is illustrated by the case of Purdue Pharma, which has been sued thousands of times over OxyContin, a prescription painkiller. The company settled one case for \$600 million after the federal government accused it of making false claims about the drug's risk of addiction and denying its potential for abuse. New lawsuits by cities and states are currently pending, claiming that drug corporations have profited from a product they knew to be dangerous.

"In order to reverse this pattern, we must put people before drug companies and stop prescribing opioids at such an outrageous rate," said **Richard Fiesta**, Executive Director of the Alliance. "We also need stronger government health care programs, including Medicaid and Medicare, so that we can treat those who do succumb to addiction."

Administration Paves Way for States to Force Medicaid Recipients to Work

The Trump administration [said](#) Thursday that it would allow states to test requiring some Medicaid recipients to work or participate in community activities such as volunteering or jobs training as a condition of eligibility. The administration said 10 states have applied for waivers involving work requirements or community involvement. They are: Arizona, Arkansas, Indiana, Kansas, Kentucky, Maine, New Hampshire, North Carolina, Utah and Wisconsin. Many expect Kentucky's waiver to be approved shortly.

The move represents an enormous shift in a decades-long policy. Adding a work requirement to Medicaid would mark one of the biggest changes to the program since its inception in 1966. It is likely to prompt a lawsuit from patient advocacy groups, who claim the requirement is inconsistent with Medicaid's objectives and should require an act of Congress. The rules would exempt certain Medicaid populations, including those with disabilities, the elderly, children and pregnant women, but are still considered to be an impediment to many people getting the care they need.

Nearly 60 percent of Medicaid beneficiaries work either full time or part time, often for employers that do not offer health insurance. Most who are not working report reasons such as illness, caring for a family member or going to school. Some Medicaid recipients say the coverage has enabled them to get healthy enough to return to work.

“The vast majority of Medicaid recipients are in dire need of health insurance and already do all they can to survive from day to day,” said **Joseph Peters, Jr.**, Secretary-Treasurer of the Alliance. “The Administration’s action is based largely on a faulty notion of who benefits from Medicaid.”

Trump had Early Plan to Scrap Obamacare Using Executive Authority

A March 2017 document [shows](#) that despite the chaos surrounding the legislative attempt to repeal and replace the ACA, the administration had an elaborate plan to take apart the law without action from Congress.

Sen. **Bob Casey** (D-PA) obtained a one-page document from the Trump administration just last month after blocking three of the administration’s health nominees to get it. Sen. Casey then shared it with *POLITICO*, calling it a list of options for “sabotage.”

The document lists ten executive actions the Trump administration planned to take. Those include calling for stricter verification of people who try to sign up outside the open enrollment period; cutting the sign-up period in half; and giving states authority to determine whether insurers had to cover the full range of benefits required by Obamacare and whether their networks of doctors were sufficient.

Health care advocates vigorously oppose most of the changes because they would undermine consumer protections and make it harder for many people to obtain insurance coverage.