

FRIDAY ALERT



Alliance for Retired Americans

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House and Senate Hearings Take on Prescription Drug Costs

Both the House Committee on Oversight and Reform and the Senate Finance Committee held [hearings](#) on Tuesday focusing on the high cost of life-saving prescription drugs. Pharmaceutical industry representatives declined to attend, with only two corporations promising to testify at a later date. The hearings kick-started the coming series of inquiries into the industry.

Chairman **Elijah Cummings** (MD) led the House Committee on Oversight and Reform's questioning. He recently sent letters demanding insight into their pricing schemes to twelve drug corporations. Rep. Cummings has been working with industry representatives, the President and the Secretary of Health and Human Services to solve this issue. The discussion on Tuesday also included testimony from a mother whose daughter died from rationing her insulin.

Chairman **Chuck Grassley** (IA) led the Senate Finance Committee's probe which included three experts and a mother whose diabetic son began rationing insulin due to the exorbitant price of his prescription. Sen. Grassley emphasized the need for bipartisan cooperation in implementing reforms and expressed frustration with the lack of support from pharmaceutical corporations. Sen. **Ron Wyden** (OR) agreed, remarking that even the tobacco industry was willing to testify in front of Congress despite the known danger of their products.



Chairman Elijah Cummings (D-MD) speaks with Ranking Member Jim Jordan (R-OH) at the House Oversight and Reform Committee hearing on Tuesday.

“Rep. Elijah Cummings has launched one of the most extensive investigations ever into the prescription drug industry’s pricing practices. Sen. Grassley supports importation and ending the ‘pay for delay’ ploy that has benefited drug corporations. Prescription drug pricing is a bipartisan issue that the public strongly believes needs to be addressed and it is an area where both chambers may be able to cooperate,” [said](#) Alliance Executive Director **Richard Fiesta**. “Retirees cannot wait any longer.”

Raise the Wage: The Fight for \$15

On January 18, the “Raise the Wage Act of 2019,” which would increase the minimum wage to \$15 per hour by 2024, was introduced in the House of Representatives. The federal minimum wage is \$7.25 an hour and has not increased in ten years. Currently, 1 in 9 Americans earn wages that put them below the poverty line despite working full-time. These workers are not able to pay for their current expenses, much less save for emergencies or retirement. With 30% of the workforce earning the minimum wage, this new bill would improve the lives of millions of hard-working Americans.

[Please help us out and sign our petition urging Congress to give American workers a much-needed raise..](#)

An increase in the minimum wage means more money going into the Social Security Trust Fund and increased Social Security benefits for those workers earning higher wages later, when they retire.

Since 2012, California, New York, Massachusetts, and the District of Columbia have all [raised their minimum wage](#) to \$15 an hour, and several other states have significantly raised theirs above the federal level. The Economic Policy Institute says that fewer than 10% of minimum wage earners are teens and that the vast majority are prime-age workers, often with children and college degrees.

This bill is a step toward ensuring that America’s workers are able to stay out of poverty, especially in the face of inflation and a rise in the cost of living across the country. Beyond the workers whose wages will increase, local economies will be strengthened due to increased economic activity.

“The benefits are clear: a \$15 minimum wage will decrease reliance on safety-net programs, stimulate the economy and job growth, and begin to remedy income inequality. This is long overdue and will help millions of Americans attain a better standard of living and retire with dignity later,” said **Robert Roach, Jr.**, President of the Alliance.

Collective Action Ended the Government Shutdown

During the government shutdown, retirees joined federal workers and contractors across the country as they marched and protested to return to their jobs. Rallies were held at airports, federal office buildings and Senate offices. Volunteers came out in droves to help those affected by the loss of a paycheck. Finally, the government shutdown came to a surprise end last Friday with a continuing resolution to fund the government, no strings attached, but only for the next three weeks.

All told, the shutdown resulted in \$11 billion in lost economic output, including [\\$3 billion that is gone forever](#). 40,633 federal workers (out of the affected 800,000) filed for first-time unemployment benefits. Many of those employees had to forego medical appointments, take out high-interest loans, or join the “gig-economy” to get through the month. Another shutdown would renew the crisis and deepen the hole many federal workers found themselves in.

“The actions of workers and the retirees who demonstrated with them contributed to the end of the government shutdown, putting pressure on both Congress and the President to come to an agreement. We must remain vigilant and prepared to resume these actions should a new shutdown begin. Federal employees and contractors need and deserve economic security,” said **Joseph Peters, Jr.**, Secretary-Treasurer of the Alliance.

The fight clearly isn't over. The House and Senate must negotiate a deal that avoids a new shutdown in the coming weeks.

House Ways and Means Committee Holds Hearing on Protecting Americans with Pre-Existing Conditions

The House Committee on Ways and Means held a hearing on Tuesday regarding the need to protect the over 130 million Americans who have a pre-existing health condition.

[Chairman Richard Neal \(MA\) noted that](#) before the Affordable Care Act (ACA), “insurance companies could refuse coverage altogether, charge excessive fees, [and] place dollar limits on the amount of care Americans receive.”

Referring to attempts in recent years to sabotage the ACA, Rep. Neal warned that four million Americans have lost health insurance coverage during the current Administration.

Video: Maryland/DC Alliance Member, AFSCME Retiree on Prescription Drug Costs

In a new video series, the Alliance shares personal stories from our members that highlight key retiree issues. Today we spotlight Maryland/DC Alliance Member and American Federation of State, County and Municipal Employees (AFSCME) Retiree **Jeff Israel**.



Following his cancer diagnosis, Medicare Part D agents initially informed Jeff that his medication would cost nearly \$10,000 per month. No retiree should have to pay that much for life-saving medicines.

[Mr. Israel drew from his own experience](#) when Maryland AFSCME Retiree Chapter 1 met with 60 state legislators in Annapolis on January 22, lobbying for the restoration of prescription drug benefits for all Maryland state government retirees.

Jeff Israel in Annapolis last week