

FRIDAY ALERT



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Congressional Prescription Drug Hearings Examine Middlemen and the Price of Insulin

Pharmacy-benefit managers (PBMs) from Cigna, CVS Health and Caremark, Humana, OptumRx and Prime Therapeutics [testified](#) at a Senate Finance Committee hearing on prescription drug prices Tuesday. The witnesses said that increasing competition and speeding up the introduction of biosimilars would bring down prices, but mostly they deflected the blame for those expenses onto others. Chairman **Chuck Grassley** (IA) noted that few people understand the role of PBMs, middlemen who strike deals with drug corporations in secret.

The Committee called for an investigation into PBMs' practice of spread pricing, which is charging health plans one price for a drug and reimbursing pharmacies a lower amount for that same drug. PBMs then take the "spread" between those two prices as their own profits. Ranking Member **Ron Wyden** (OR) criticized PBMs for this system, accusing them of exploiting Medicaid and other health care providers.

"PBMs are paying one set price to pharmacies for a particular drug, but they're turning around and charging Medicaid and other health-care payers far more for that same prescription," Sen. Wyden said in his opening remarks.

Robert Roach, Jr., President of the Alliance, took the analysis one step further. "Calling out PBMs is a good first step," said President Roach. "However, what we have needed for years now, and still need, is to allow Medicare to negotiate prices with pharmaceutical corporations."



On Wednesday, the House Energy and Commerce oversight and investigations subcommittee held a hearing regarding the rising price of insulin, which is often \$280 per vial.

Insulin manufacturers and pharmacy benefit managers testified, and Rep. **Diana DeGette** (CO) chaired the hearing.

Witnesses at the House hearing on Wednesday

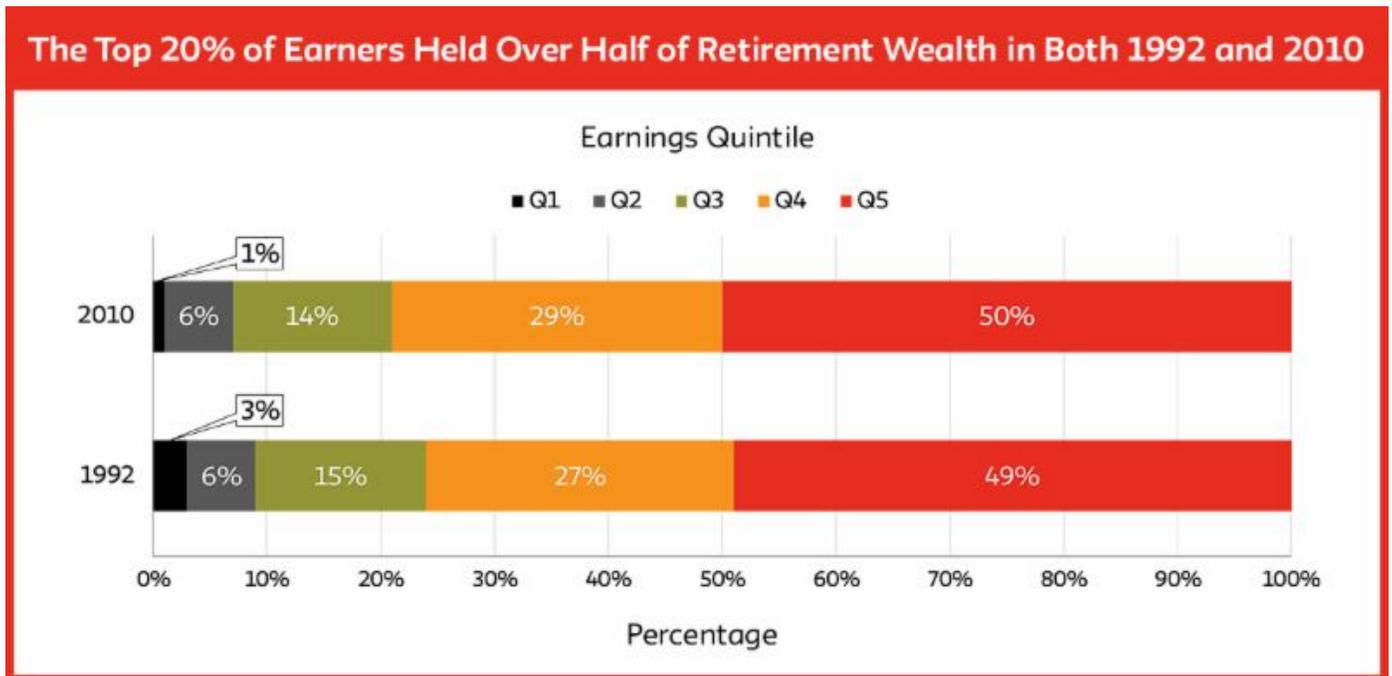
[A Kaiser Family Foundation analysis](#) released last week showed that Medicare Part D spending on insulin, used as a treatment for diabetes, increased by 840% between 2007 and 2017. Consumers' out-of-pocket spending for the drug quadrupled over that time period.

Committee members from both sides of the aisle criticized the witnesses intensely. Rep. **Jan Schakowsky** (IL) was [particularly vocal](#), asking the PBMs how they slept at night and wondering aloud whether illegal price collusion was at play. Others commented that prices were only lower now because of the public outcry. Both the House and Senate plan to continue their investigations after their recesses.

One-Third of Workers Fear 'Significant Hardship' during Retirement

A [study from Natixis](#), an investment management company, demonstrates that one-third of American workers believe that they will either face significant financial hardship during retirement or will never be able to retire. The findings coincide with a [report](#) released by the National Institute on Retirement Security in 2018, which found that nearly two-thirds of workers have no retirement account assets, and the median retirement account balance is \$0.

Americans are clearly worried about their financial future. [Sixty-eight percent of workers](#) say they are concerned they will not have enough money to live comfortably throughout their retirement, and for the past few decades, the top 20% of earners have held half of the country's [retirement wealth](#).



Source: The New School Retirement Equity Lab

“Running out of money during retirement is a fear that millions of people have,” said **Joseph Peters, Jr.**, Secretary-Treasurer of the Alliance. “We must make sure that a secure retirement is not reserved for only the wealthiest Americans. That is why we are working to expand Social Security and protect our hard-earned pensions.”

Hearing Aids are for More than Just Hearing

Hearing aids are most often thought of as a simple solution to a common and harmful problem. Yet hearing aid technology has evolved substantially over the years and continues to advance. Seniors suffering from hearing loss can now benefit from improvements that offer added benefits that no one ever imagined. Fall Detection and Alert capability within a hearing aid -- as well as Heart Rate Measurement -- is now available in certain models.

Falling is a major health issue for retirees. According to the National Alliance for Caregivers, more than 65 million people (29 percent of the U.S. population) currently provide care for a disabled, chronically ill or an aged friend or family member. And according to the National Council on Aging, every 11 seconds an older adult is seen in an emergency department for a fall-related injury. One in every three older Americans – about 12 million – fall every year. Hearing aids are now considered necessary medical treatment rather than the luxury they once were.

The Alliance is working to make this treatment more easily available and less expensive for you and your extended family through our partnership with HEAR In America hearing plans. Please consider if you or anyone in your extended family should have their hearing checked. Then contact Hear In America today to find out if hearing aids would benefit you. For more information or to register for a FREE screening and evaluation, call 1-800-286-6149 or click here: www.hearinamerica.com/ara.

McConnell Says No to House Voting Rights Bill

Senate Majority Leader **Mitch McConnell** (KY) is single-handedly blocking a bill that passed the House and has 47 co-sponsors in the Senate by refusing to give it a hearing. The [For the People Act](#) (H.R. 1) promises stronger voting rights, an end to gerrymandering, and reform for campaign financing and spending. It would also oblige the president and vice president to release a decade of tax returns for public scrutiny. The bill is one of the most comprehensive [ethics bills](#) introduced in recent years, but will not pass the Senate due to McConnell's interference.

“Voter suppression is making a sinister resurgence as the 2020 election approaches. Solutions like the ‘For the People Act’ aim to ensure that all Americans have a voice in politics, and this bill should get a vote in the Senate,” said **Richard Fiesta**, Executive Director of the Alliance.

Attacks on voting rights are becoming more and more common. In Iowa, state senators introduced a bill to limit election day voting hours and void voter registrations for [college students](#), moves that would [disenfranchise](#) thousands of Iowans. An investigation is underway regarding attempts to remove approximately [100,000 voters](#) off registration records in Texas. In Idaho, state senators want to limit the state's [ballot initiative process](#) in response to recent Medicaid expansion.