Dark Money Ad Campaign Seeks to Prevent Medicare from Negotiating Drug Prices

A dark money group, funded largely by the pharmaceutical industry, has launched a seven-figure ad campaign against allowing Medicare to directly negotiate drug prices.

The $2.5 million in radio, digital and mailed ads from the American Action Network (AAN) calls on Congress to reject what the group says are “government price controls” placed on Medicare Part D. The ads are trying to prevent the House of Representatives from passing legislation allowing Medicare to negotiate lower drug prices. The ads will air in 35 House Republican districts, according to The Hill.

“The Alliance has pushed for Medication drug price negotiation for nearly 20 years,” said Robert Roach, Jr., President of the Alliance. “If we are going to lower drug prices, we must allow Medicare to negotiate on behalf of seniors and the American public. The Veterans Administration and Medicaid do this now and save millions of dollars.”

“It’s no surprise that the big drug corporations are doing everything they can to protect the status quo,” added President Roach. “But it is past time for Congress to stand up to them and put patients over prescription drug profits.”

The industry ads use scare tactics and are making false claims that Medicare negotiating prices would lead to “reduced access to life-saving medications and prescription drug rationing.”

“Key liberals in Congress are pushing a socialist agenda for America and it starts with seniors losing choice and access to the most effective drugs in Medicare,” says a voice in one radio ad. “Their plan means prescription drug rationing, government price-fixing and bureaucrats controlling your access to new treatments.”

President Trump called for Medicare to negotiate drug prices during his 2016 campaign but has since backed away from that position that after meeting privately with drug corporation CEOs.

More Americans Lack Health Insurance

For the first time since the Affordable Care Act (ACA) passed, the number of Americans without health insurance is rising, alarming advocates who fear the beginning of a trend.

Data from the Centers for Disease Control and Prevention released in July show that the number of people without insurance grew by 2.1 million between 2016 and 2018. A separate study from the Urban Institute this month, using Census Bureau data, found 700,000 more uninsured people between 2016 and 2017.
Larry Levitt, a health policy expert at the Kaiser Family Foundation, said that premium increases between 2017 and 2018 can be traced to administration actions and uncertainty about whether the ACA would be repealed by Republicans.

For example, the 2017 Republican tax law repealed the ACA mandate that people have health insurance. Without the mandate, some healthy people drop their coverage, causing premiums to increase for those remaining in the system.

State-level actions are also contributing to the problem. For example, in Missouri, 90,000 children and 23,000 adults lost Medicaid coverage in the past year. Advocates blame the state’s new regulations which required some enrollees to provide additional documentation to prove eligibility and gave them just 10 days to respond.

"Relentless attacks on the Affordable Care Act are beginning to take their toll," said Richard Fiesta, Executive Director of the Alliance. “The number of uninsured Americans is increasing for the first time in years. We can't stop fighting for affordable health care for all.”

Monday is Labor Day

Labor Day, a time for celebration and solidarity, is September 2. Congress passed an act making the first Monday in September of each year a legal holiday in the District of Columbia and the territories in 1894, and President Grover Cleveland then signed it into law. Now, cities, unions and locals all across the country are hosting events to honor working people and the labor movement. Click here to find a Labor Day parade, picnic or event near you.

"On this Labor Day, we remember all the workers before us who fought for a better life for millions of employees, retirees, and their families,” said Joseph Peters, Jr., Secretary-Treasurer of the Alliance. “We thank them for paving the way to better wages, improved health care and retirement benefits, safer workplaces, and the weekend, among thousands of other accomplishments.”
Obituary: Harold Gullett

Harold "Hal" Gullett, founding president of the Illinois Alliance and an AFSCME retiree, passed away August 17 at the age of 89. He held many certificates for loyalty, dedication, service and motivation over the years and received the Milton M. Cohen Award from Illinois Citizen Action for Lifetime Achievement in 2001.

"Hal Gullett was a good union man. That is the one sentence that describes him to a tee," said Barbara Franklin, the current President of the Illinois Alliance. "There will be a lot of union people who will miss him."

The Alliance for Retired Americans is a national organization that advocates for the rights and well-being of over 4.4 million retirees and their families.