



FRIDAY ALERT



Alliance for Retired Americans

815 16th Street, NW, Fourth Floor • Washington, DC 20006 • 202.637.5399

www.retiredamericans.org

Spanish version: www.alianzadejubilados.org

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Take Action: Sign the Alliance's Petition to Save Social Security

Even though the extremist Republicans stood during the State of the Union to supposedly show "support" for Social Security and Medicare, they are scheming to cut our earned benefits. They aren't even keeping it a secret, going on television to promote their wacky plans and drafting legislation to cut the benefits we earned.

[Please click now. Sign our petition and tell Congress not to mess with the Social Security benefits we've earned.](#)

A growing number of anti-retiree politicians are hawking plans that **raise the retirement age to 70** (or higher!); to **privatize Social Security** (and let Wall Street gamble with our retirement); or to reduce benefits.

Those aren't just bad ideas – they are CUTS to the benefits we've earned.

"We need all hands on deck. Please, sign our petition now," said **Richard Fiesta**, Executive Director of the Alliance. "We must continually remind Congress that Social Security is earned, and that they need to keep the promise made to generations of Americans."

Click [here](#). Let's make sure Congress is on notice that we won't let anyone cut Social Security.

Steps to Hold Medicare Advantage Accountable are Not Cuts, Experts Say

Two announcements by the Centers for Medicare and Medicaid Services (CMS) related to Medicare Advantage — an alternative to original Medicare, primarily run by major insurance companies — have brought additional discussion about Medicare cuts.

Insurance companies that sponsor Medicare Advantage have starting running ads, claiming that the **Biden** Administration is "cutting Medicare Advantage." However, according to the nonpartisan [Kaiser Family Foundation](#), those claims are baseless, and there is no clear evidence to suggest that the Administration's Medicare Advantage payment changes will lead to premium increases or cuts in benefits for Medicare beneficiaries.

One of the [announcements](#) by CMS is a rule change, set to take effect April 3, that's intended to increase the government's ability to audit Medicare Advantage plans and recover past overpayments.

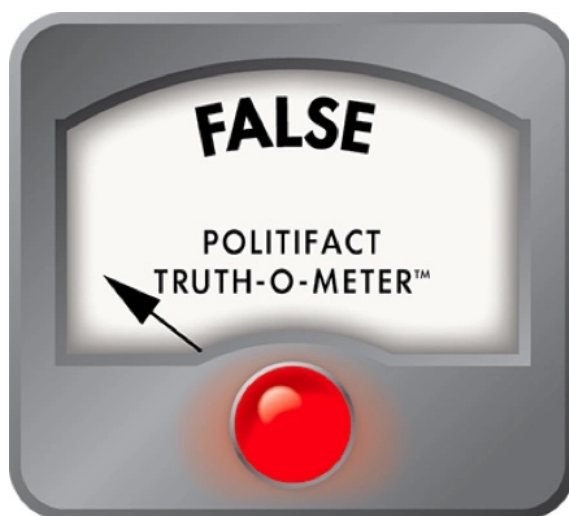
The other is an annual update that would modify Medicare Advantage's risk adjustment model, which determines how much the government pays insurers for beneficiaries' reported health conditions.

Current efforts to improve the accuracy of payments made by the federal government, and improve program integrity, [are unlikely to have a major impact on the program](#), the insurance industry or beneficiaries, given relatively generous payments to plans.

In addition, any reductions in rates paid to insurers are projected to be [offset](#) by other changes that are expected to yield a 1% increase in payments to insurers per person in 2024.

“It’s President Biden who is proposing to cut Medicare Advantage.”

- Sen. Tom Cotton (R-Ark.) in a tweet on February 6, 2023



“The industry is running misleading ads to scare the American public,” said **Robert Roach, Jr.**, President of the Alliance. “*Politifact* has found the ads to be a false claim, and the Kaiser Family Foundation has also found it to be untrue. It is critical to hold Medicare Advantage plans accountable so taxpayers and beneficiaries are not taken advantage of.”

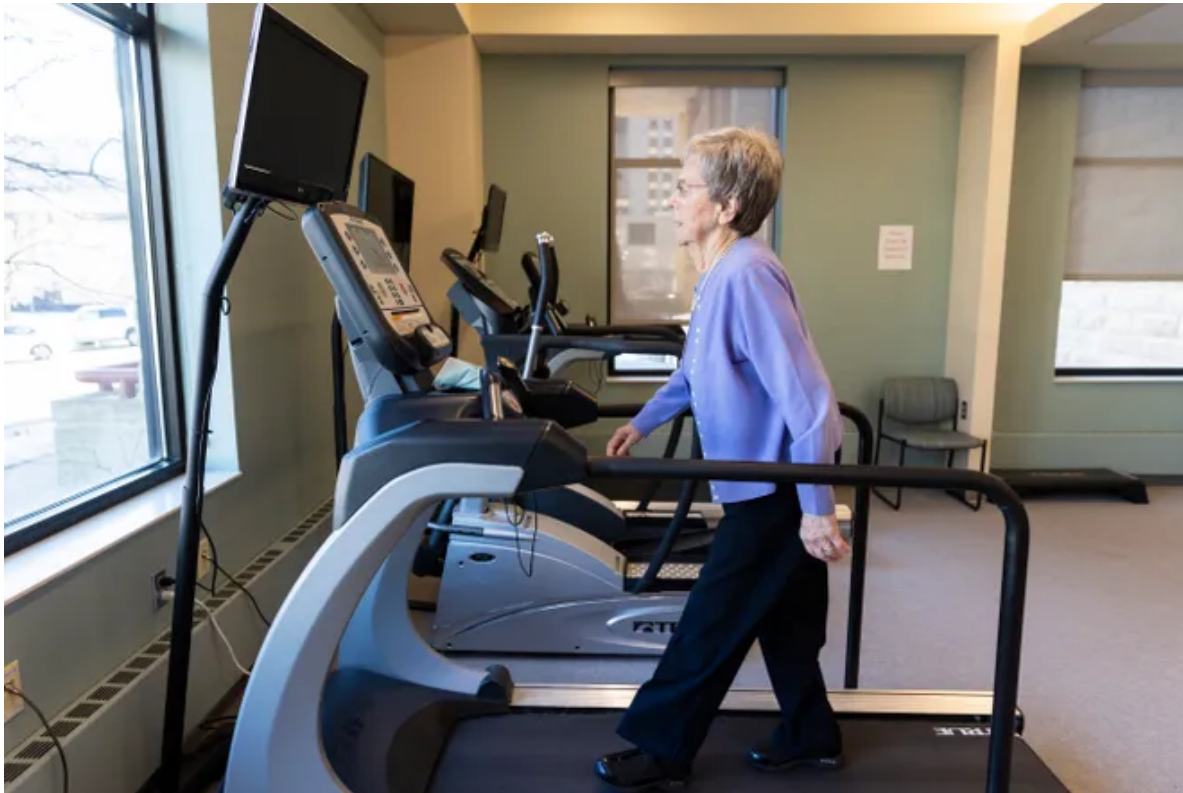
Battle Over 'Orphan Drugs' Leads to Higher Drug Prices

An “orphan drug” is a [designation](#) that rewards drug corporations for developing treatments for rare diseases. When a drugmaker wins approval for an orphan drug, the company is entitled to seven years of exclusive rights to the marketplace, which means the Food and Drug Administration (FDA) won't approve another company's application for a competitive drug for the same use during that period.

For example, Zolgensma, a one-time treatment for spinal muscular atrophy, carries a \$2.25 million price tag, so nearly all U.S. patients taking the drug as approved by the FDA are covered by commercial or government insurance.

However, an ongoing legal and political debate about the FDA's handling of orphan drugs has led to skyrocketing prices for some of these drugs. Much of the disagreement centers on the scope of

the exclusivity. For instance, Catalyst Pharmaceuticals filed suit against the federal government following a 2019 decision allowing another company, Jacobus Pharmaceutical, the right to market a competitive product for a subset of pediatric patients.



Lore Wilkinson walks on a treadmill at her retirement living complex in Rochester, Minnesota. Wilkinson, who has Lambert-Eaton myasthenic syndrome, depends on an orphan drug to stay mobile. "Without it, I would be in a wheelchair," she says. (photo: Liam James Doyle for *Kaiser Health News*)

Catalyst contended that it had rights to be the exclusive provider for all patients with Lambert-Eaton myasthenic syndrome (LEMS), regardless of age. LEMS is a very rare condition that affects the signals sent from the nerves to the muscles. It means the muscles are unable to contract properly, resulting in muscle weakness and a range of other symptoms.

"The Orphan Drug Act is the law at the center of the debate," said **Joseph Peters, Jr.**, Secretary-Treasurer of the Alliance. "Much of the disagreement is over whether a drug is truly new or is a slight variation of something that was introduced previously. Congress must act so that uncertainty does not lead to confusion — and additional astronomical drug prices."

Caregiving Crisis Looms as Number of Older Americans Soars

Experts examining numbers from the U.S. Census predict that long term care issues will become more serious as Americans live longer, given a national shortage of workers who provide caregiving services.

At the outset of the COVID-19 pandemic, in early 2020, about 4.5 million Americans were paid to work in eldercare, most at nursing homes, assisted-living facilities or as in-home aides.

Over the next 24 months, more than 240,000 of those workers left the profession, a decline that made eldercare [one of the country's hardest-hit industries](#) in terms of pandemic-related job losses.

With the nation undergoing a surge in the number of older Americans, the fastest growing cohort is the oldest of the old, people 85 and up. America currently has about 7 million people in that age range; [by 2050, the number will be 18.6 million](#). And, within that group, the number of Americans age 100 and older is forecast to grow from about 90,000 today to nearly 400,000.

In addition, between now and 2060 the number of Americans with Alzheimer's is expected to grow from 6 million to about [13.8 million](#), or slightly more than the current population of Pennsylvania, according to federal data and studies by the national Alzheimer's Association.

"During his recent State of the Union address, President Biden called for increasing support and benefits for caretakers who provide seniors and people with disabilities with home care services," said President **Roach**. "The country needs Congress to act on his directive."

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.