



FRIDAY ALERT



Alliance for Retired Americans

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August 18, 2023

White House Marks the Inflation Reduction Act's One-Year Anniversary



President **Biden** called the Inflation Reduction Act (IRA) “[one of the most significant laws](#)” ever enacted at a White House ceremony Wednesday, the anniversary of the day he signed it into law. The IRA is especially significant for older Americans because it lowers drug prices and health care costs, saving Medicare beneficiaries and taxpayers [\\$98.5 billion](#) over the next ten years.

Alliance President **Robert Roach, Jr.** and Maryland/DC Alliance member **Pam Parker** attended the White House event.

The Centers for Medicare & Medicaid Services (CMS) issued an anniversary [fact sheet](#) highlighting the accomplishments of the legislation over the last year in lowering drug prices. Specifically, the IRA:

- Allows Medicare to negotiate directly with participating drug companies to improve access to innovative treatments for people with Medicare and lower costs for the Medicare program;
- Ensures that people with Medicare pay no more than \$35 for a month’s supply for

Maryland/DC Alliance member Pam Parker (bottom) is pictured with Mt. Vernon, NY Mayor Shawyn Patterson-Howard at the White House Wednesday.

each covered insulin product under Medicare prescription drug coverage, Traditional Medicare, or Medicare Advantage;

- Lowers Medicare Part D prescription drug costs and redesigns the prescription drug program. For example, people enrolled in Medicare prescription drug coverage who have very high drug costs will no longer have to pay cost-sharing for their prescription drugs in the catastrophic phase of the program starting in 2024, and the IRA caps annual out-of-pocket prescription drug costs at \$2,000 for 2025;
- Makes adult vaccines, recommended by the Advisory Committee on Immunization Practices, available at no cost for people with Medicare prescription drug coverage starting January 1, 2023, and later in 2023 for people with Medicaid coverage.

“President Biden deserves a great deal of credit, especially for requiring drug corporations to negotiate better prices with Medicare,” said **Joseph Peters, Jr.**, Secretary-Treasurer of the Alliance. “Many leaders before him tried and failed to deliver on that provision, and seniors have benefited as a result of his success.”

You’re Invited to the Alliance’s Retirement Security Symposium on October 17

Join the Alliance at our annual Retiree Security Symposium, *Preparing for Retirement, Individual and Collective Efforts*, an Alliance for Retired Americans seminar on **Tuesday, October 17, 2023 at 9:00 AM** at AFL-CIO headquarters in Washington, DC.

Participants will discuss how the Butch Lewis Act legislation is working and efforts to build on it. Multi- and single-employer private sector pension plans and public pension plans at the federal, state, and local levels will also be covered.

Liz Shuler, President of the AFL-CIO; **Fred Redmond**, Secretary-Treasurer of the AFL-CIO and Executive Vice President of the Alliance; and **Rep. John Larson** (CT), House Committee on Ways and Means Social Security Subcommittee Ranking Member, will make presentations.

“We will discuss current threats to Social Security and efforts to expand it, as well as how to navigate defined benefit pension plans and defined contribution plans to improve retirement security,” said **President Roach**. “In addition, government agencies including the Pension Benefit Guaranty Corporation (PBGC) and the Department of Labor will be making presentations related to unclaimed and/or abandoned defined benefit and defined contribution plan funds in excess of \$1 trillion.”

Representatives from retiree organizations the National Institute on Retirement Security (NIRS), the National United Committee to Protect Pensions (NUCPP) and the Pension Rights Center will give reports. In addition, AFT, AFGE, AFSCME, and IAMAW will discuss individual and collective efforts for a secure retirement.

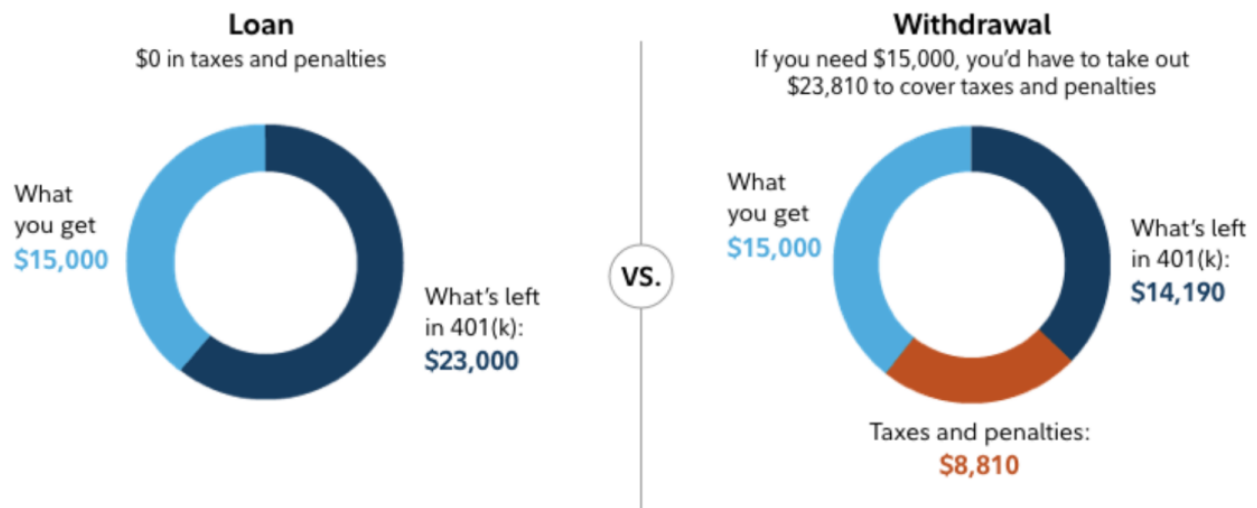
Space is limited, so please **RSVP at <https://tinyurl.com/Symposium101723> by October 3, 2023 and indicate if you will attend in person or virtually.**

Additional presentations and speakers will be added, and the agenda will be forthcoming. Information will be provided as soon as it is confirmed. If you have any questions, please contact **Joni Jones** at jjones@retiredamericans.org.

More Americans are Dipping into Retirement Savings Early

An increasing number of Americans are [withdrawing retirement funds early](#) to pay for credit card debt, medical bills, home improvements, buying a car or a house, or to make ends meet right now. Early withdrawals are dangerous financially, because not only is that money unavailable later, the withdrawal triggers some significant taxes and penalties.

Immediate impact of taking \$15,000 from a \$38,000 account balance



Source: Fidelity Investments

In the second quarter of this year, the number of people taking hardship withdrawals from their 401(k) was up 12% compared to the first three months of the year, and that measure leapt 36% year over year, according to a new [survey](#) from Bank of America, which tracks about 4 million clients' employee benefit programs.

Borrowing from retirement savings was also up. The percentage of 401(k) participants who got a loan from their workplace plan in the second quarter was 2.5%, up from 1.9% in the first three months of 2023.

“Too many Americans are simply unable to cover necessary expenses without jeopardizing their future,” said **Richard Fiesta**, Executive Director of the Alliance. “We must address the problem of stagnant wages. All jobs should pay enough so people can cover today's expenses without jeopardizing their savings.”

KFF Health News: New Alzheimer's Drug Raises Hopes — Along With Questions
By Judith Graham

The FDA has approved Leqembi, the first disease-modifying treatment for early-stage Alzheimer's and a precursor condition, mild cognitive impairment. Medicare has said it will pay for the therapy. Medical centers across the country are scrambling to finalize policies and procedures for providing the medication to patients, possibly by summer's end or early autumn.

It's a fraught moment, with hope running high for families and other promising therapies such as donanemab on the horizon. Still, medical providers are cautious. "This is an important first step in developing treatments for complex neurodegenerative diseases, but it's just a first step," said **Ronald Petersen**, director of the Mayo Clinic's Alzheimer's Disease Research Center in Rochester, Minnesota.

Unanswered questions abound as this new era of treatment begins for mild cognitive impairment and early-stage Alzheimer's.

Read more [here](#).