



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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Administration Announces Plans to Seize Patents for Certain High-Priced Medicines

The **Biden** Administration continues to take action to lower drug prices and boost competition. On Thursday it announced [a new plan](#) to use 'march-in' rights to seize patents for medicines that were developed with taxpayer dollars in order to bring down costs for the most expensive drugs. The move could also open the door to a more aggressive federal campaign to slash drug prices.

March-in rights have never been utilized by the federal government before. Health care advocates have urged seizing patents as a way to lower prescription drug costs and allow the government to share in the profits derived from federally-funded drug research.

The march-in policy derives from the University and Small Business Patent Procedures Act of 1980, known as the Bayh-Dole Act. This allows recipients of federal research funding to retain rights on inventions, except in cases where federal agencies choose to "march-in." That can occur when there are circumstances that concern expanding accessibility, national health, and safety. The administration is using the Bayh-Dole Act as a basis for its action.

"The Alliance welcomes the Biden Administration's latest decision to lower prescription drug prices by using all the tools at their disposal," said **Richard Fiesta**, Executive Director of the Alliance. "Taxpayers should get a share in the massive profits that pharmaceutical corporations have raked in as a result of government research."

NIRS Report Examines the Impact of Switching Away from Defined Benefit Pension Plans

The National Institute on Retirement Security (NIRS) has released a new [report](#) tracking the experience of five states – Alaska, Kentucky, Michigan, Oklahoma, and West Virginia – after new public sector employees' were given defined contribution retirement plans rather than traditional pensions.

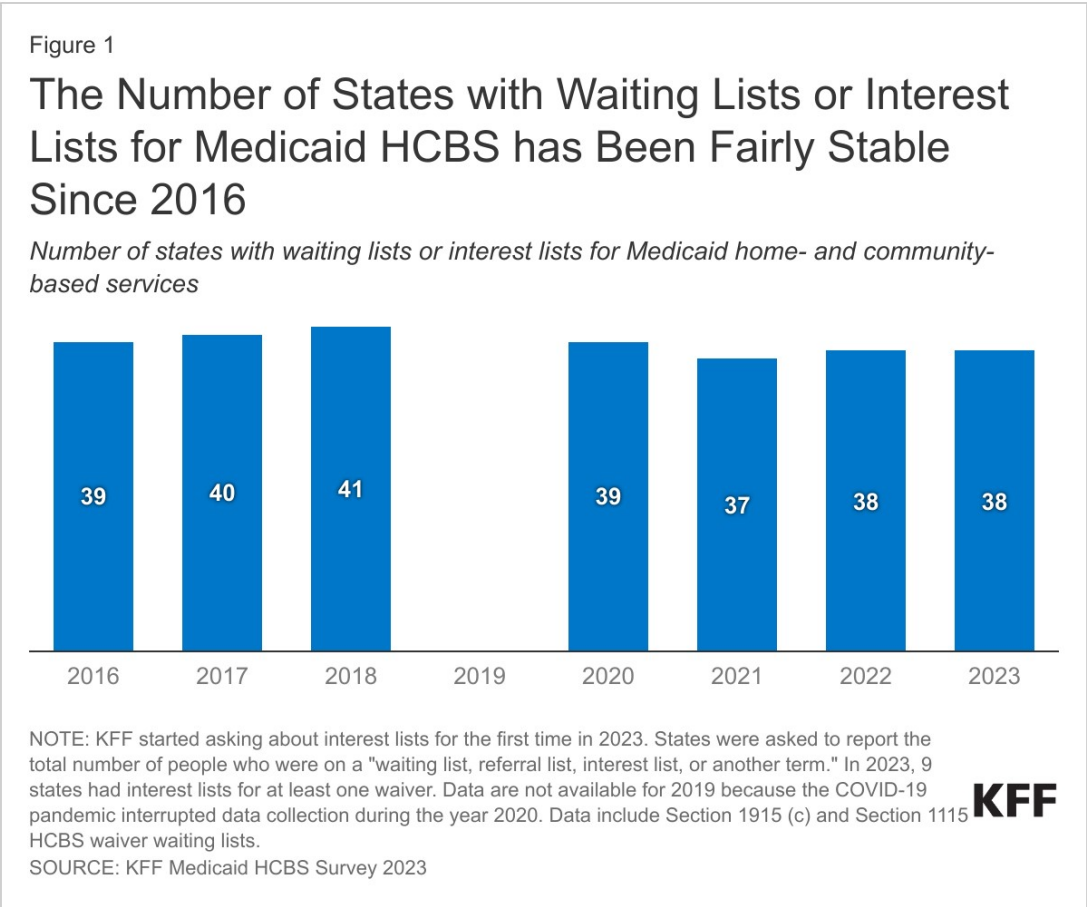
A significant number of defined contribution or 401(k)-type plans are cashed out when workers leave public sector jobs, and often these funds are not saved for retirement.

As for the states, their costs have not improved since the switch, either. In some of the studied states, poor funding practices were in place before the pension plan closure, and after improved funding practices were instated later, costs remained high. Closing pension plans for new employees has failed to address funding shortfalls and contributed to increased employee turnover.

“Defined benefit pension plans increased retirement security for workers, plain and simple,” said **Robert Roach, Jr.**, President of the Alliance. “The data show that no one benefited when these states decided to take away the pensions public sector workers relied on for decades.”

KFF Report: Qualified Medicaid Beneficiaries Wait 36 Months to Receive Home and Community Based Services on Average

Home- and community-based services (HCBS) waivers allow states to offer a wide range of Medicaid benefits to residents with low-incomes or disabilities and to choose the number of people who receive services. However, these waivers also allow states to cap the number of people enrolled in their waiver program.



This can result in waiting lists when the number of people seeking services exceeds the number of waiver slots available, according to a [KFF report](#) that covers 2016-2023.

The average wait time in 2023 has been 36 months, which is down significantly from 45 months in 2021. Waiting lists reflect the populations a state chooses to serve, the services it decides to provide, the resources it commits, and the [availability of workers](#) to provide services. For coverage of Long-Term Services and Supports (LTSS) under Medicaid such as home health, people must meet [state-specific eligibility requirements](#) regarding their levels of income, wealth, and functional limitations.

The only HCBS that states are required to cover is home health. However, states may choose to cover personal care and other services such as private duty nursing through the Medicaid state plan. States may also use HCBS waivers to provide services such as adult day care, supported employment, and non-medical transportation.

Since 2016, in the states where waivers are offered, there has been an annual average of 700,000 people nationwide on waiting lists. People with intellectual or developmental disabilities are forced to wait 45 months longer than seniors and 13 months longer than those with autism. Although waivers take a long time to be processed, most people are eligible for other types of HCBS while waiting.

The delay is attributed to states underfunding the program as well as a shortage of qualified employees to provide the services since the Covid pandemic.

“Those who are eligible for Medicaid services have a real and immediate need and should not have to wait,” said **Joseph Peters, Jr.**, Secretary-Treasurer of the Alliance. “The American Rescue Plan will likely prove highly beneficial when that data becomes available. Congress should also acknowledge the regrettable waitlist data for home- and community-based service waivers and further expand funding.”

Fiesta Speaks at Kentucky State AFL-CIO Convention

Executive Director **Fiesta** traveled to Lexington, Kentucky this week to address the Kentucky State AFL-CIO 35th biennial convention. Newly re-elected Kentucky Governor **Andy Beshear**, UAW President **Shawn Fein**, Association of Flight Attendants International President **Sara Nelson**, and United Mine Workers of America President **Cecil Roberts** also spoke to the delegates.

Fiesta provided an update on the Alliance’s work and growing threats to Social Security and Medicare in Washington. He also thanked **Bill Londrigan**, who stepped down as the president of the Kentucky AFL-CIO, for his commitment to retirees and for helping to found the Kentucky Alliance.

During the convention, Kentucky Alliance President **Kirk Gillenwaters** was presented with a special award recognizing his outstanding labor movement activism. The Kentucky Alliance also held its annual convention this week and re-elected Gillenwaters as President.



(from left) Kirk Gillenwaters, president of Kentucky Alliance; Jeff Wiggins, secretary/treasurer of the KY AFL-CIO; and Bill Londrigan, retiring president of the KY AFL-CIO (photo by Berry Craig)