



# FRIDAY ALERT



## Alliance for Retired Americans

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## Biden Administration to Impose New Inflation Penalties on Makers of 48 Drugs

President **Joe Biden** went to the National Institutes of Health in Maryland Thursday to [announce](#) that dozens of drug corporations will be required to pay rebates to Medicare because they raised drug prices faster than the rate of inflation. Forty-eight Medicare Part B drugs with price increases above the rate of inflation will be subject to rebates in the first quarter of 2024.

Biden credited the Medicare Prescription Drug Inflation Rebate Program, part of the 2022 Inflation Reduction Act, for the development. The rebates will mean lower costs across the board for the over 750,000 seniors who take the costly drugs every year, with the crackdown on price gouging [expected to save](#) them between \$1 and \$2,786 per dose on their medications.

Seniors who take the drugs, which [include](#) medications that fight infection and cancer, will now have lower out-of-pocket costs as well as lower coinsurance payments.

Since the passage of the Inflation Reduction Act, 64 drugs have had prices that rose faster than the rate of inflation in the last four quarters. The Centers for Medicare & Medicaid Services (CMS) have also lowered coinsurance amounts for all of those drugs.

This latest announcement follows a separate drug price announcement from the White House last week, when President Biden outlined the use of “march-in” rights to break the patents of unreasonably priced drugs from companies that received government funds. The Administration’s aggressive approach towards pharmaceutical price gouging has paid off, with seniors on Medicare saving as much as \$618 per average dose on 47 prescription drugs in 2023.

“Seniors are finally paying lower drug prices after years of drug corporation price gouging and sky-high corporate profits,” said **Robert Roach, Jr.**, President of the Alliance. “The Inflation Reduction Act has been extraordinarily effective at reigning in skyrocketing drug prices in its first year and even more savings will come over the next four years.”

“Drug corporations’ outrageous prices had long been veiled behind a ‘keeping up with inflation’ explanation, but that is no longer viable,” added **Richard Fiesta**, Executive Director of the Alliance.

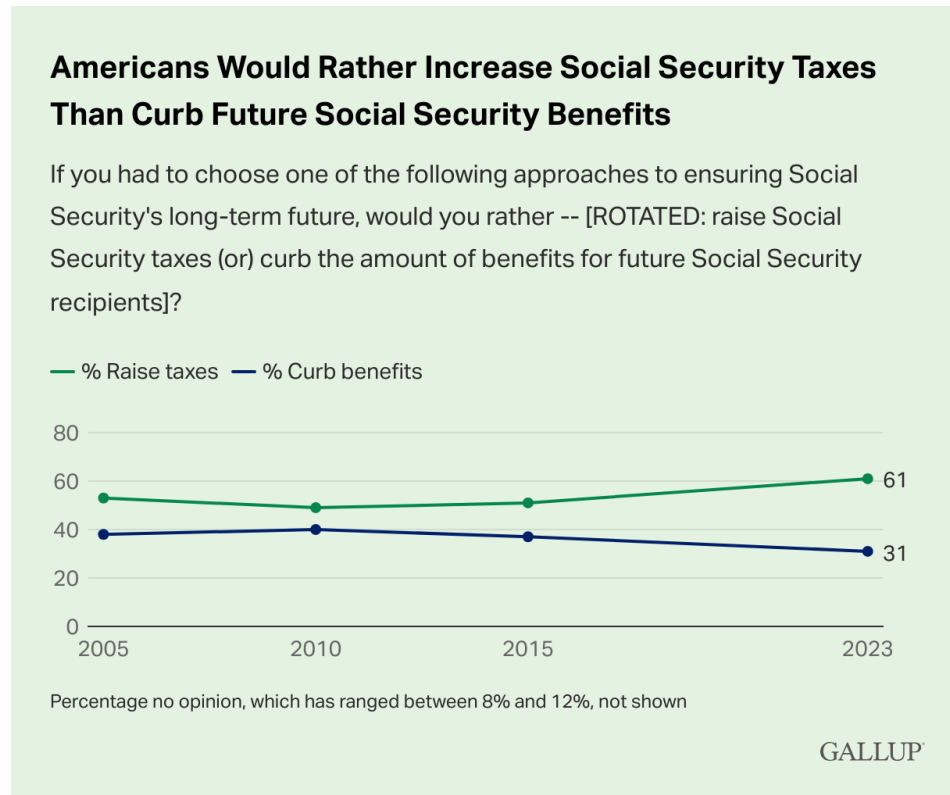
## Gallup: Americans Strongly Oppose Cutting Social Security Benefits

Recent [reports](#) from Gallup polling have shown a growing optimism among Americans concerning the ability of the Social Security system to pay them benefits when they retire. Fifty percent of U.S.

non-retirees expect to receive benefits upon retiring, while 47% do not.

This represents a dramatic shift from the past. From 2005 all the way up until 2015, the majority of non-retirees did not believe they would receive Social Security benefits in the future.

Furthermore, 53% of retirees believe that they will continue to receive their full benefits in the future with no cuts. In 2010, only 37% of retirees had the same hopeful expectation – along with 49% in 2015. The data



show an overwhelming change in attitude towards the solvency and reliability of the Social Security system.

However, only 37% of non-retirees between the ages of 30 and 49 believe they will get Social Security benefits, while 61% do not.

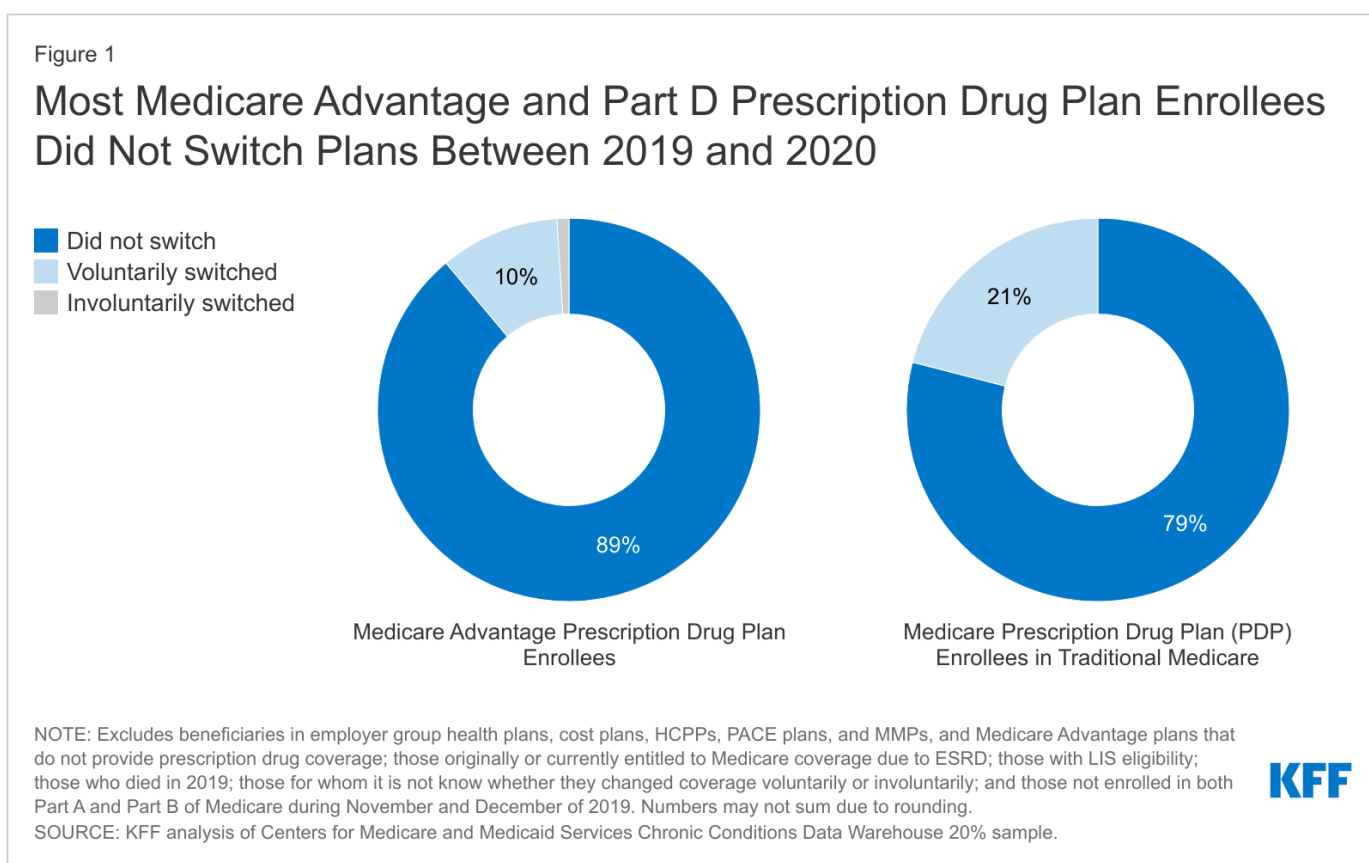
Beliefs are mildly swayed by political affiliation. Of Democratic retirees, 69% are confident that they will maintain benefits, while only 39% of Republicans and 53% of Independents are confident.

The latest polls also show that 61% of Americans would rather raise payroll taxes than cut benefits for future recipients of Social Security, up from 51% in 2015. Only 31% would rather the government curb Social Security benefits.

“When it comes to preserving Social Security, the answer from the American public is a resounding yes,” said **Joseph Peters, Jr.**, Secretary-Treasurer of the Alliance. “If the wealthiest Americans pay their fair share into the system, we can increase benefits across the board and ensure Social Security is there for future generations.”

### **KFF Health News: Dodging the Medicare Enrollment Deadline Can Be Costly** **By Susan Jaffe**

**Angela M. Du Bois**, a retired software tester in Durham, North Carolina, wasn’t looking to replace her UnitedHealthcare Medicare Advantage plan. She wasn’t concerned as the Dec. 7 deadline approached for choosing another of the privately run health insurance alternatives to original Medicare.



But then something caught her attention: When she went to her doctor last month, she learned that the doctor and the hospital where she works will not accept her insurance next year.

Faced with either finding a new doctor or finding a new plan, Du Bois said the decision was easy. “I’m sticking with her because she knows everything about me,” she said of her doctor, whom she’s been seeing for more than a decade.

Du Bois isn't the only one tuning out when commercials about the open enrollment deadline [flood the airwaves](#) each year — even though there could be good reasons to shop around. But sifting through the offerings has become such an ordeal that few people want to repeat it. Avoidance is so rampant that [only 10% of beneficiaries](#) switched Medicare Advantage plans in 2019.

Read more [here](#).

## **American Rescue Plan Commits \$37 Billion in Funding to Benefit Seniors, People with Disabilities**

The Administration [announced](#) this week that since President Biden took office, \$37 billion has been committed with funds from the American Rescue Plan to provide caregiving that benefits seniors and people with disabilities. The new data from CMS also shows that all 50 states are leveraging support from the legislation, signed into law by Biden in 2021.

More than \$25 billion of the funding has gone to help retain, expand, and train care workforces and to increase the pay and improve benefits for care workers. In Colorado, the funds have been used to increase the wages of 60,000 care workers. North Carolina created a fund to expand their care worker recruitment and retention, and Maine gave a bonus to over 24,000 care workers.

“The improvements to working conditions for care workers provide a boost that benefits not only the workers and their families, but also seniors and others they care for,” said President **Roach**.

The remaining \$12 billion in funds will go toward services for people with intellectual and developmental disabilities; provide family caregivers with training and counseling support; reduce waitlists for home and community-based services; and lower the risk of homelessness due to mental illness.