



# FRIDAY ALERT



## Alliance for Retired Americans

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## President Roach Joins Rep. Larson, Labor Leaders at Press Conference Opposing Benefit Slashing Fiscal Commission

On Thursday Alliance President **Robert Roach, Jr.** joined Rep. **John Larson** (CT) and fellow labor leaders at a Capitol Hill press conference to denounce House Republicans' Fiscal Commission Act (H.R. 5779), legislation promoted by Speaker **Mike Johnson** that [advanced](#) out of the House Budget Committee last month.

The legislation creates a commission tasked with recommending cuts to programs like Social Security and Medicare with no amendments or proper debate. More than [100 organizations](#) have recognized the threat and signed up to oppose the bill's advancement into law. For more on the details of the commission, see the [Alliance fact sheet](#).



"Republicans want to form a fast-track commission that would cut benefits for more than 67 million Americans who rely on Social Security behind closed doors," said Rep. Larson. "I stand against these attacks on earned benefits and will continue to oppose any and all attempts to slash Social Security...we should be acting to enhance benefits, not cut them."

"History shows us that special 'commissions' can cause problems and injustices that last for

Left to right: Rep. Larson, President Roach (at podium) and Everett Kelley

decades,” said **President Roach**. “If the commission’s proponents were serious about the national debt and the solvency of Social Security and Medicare, they could ensure that measures to increase revenue are considered.”

Other speakers at the Thursday event included American Federation of Government Employees (AFGE) President and Alliance Executive Board member **Everett Kelley**; American Federation of Teachers (AFT) Secretary-Treasurer **Fedrick Ingram**; American Federation of State, County and Municipal Employees (AFSCME) retiree **Mary James-Cannon**, and several other top AFL-CIO and labor officials. You can view the press conference video [here](#).

AFL-CIO President **Liz Shuler** issued a statement about the fiscal commission prior to the event on Thursday, saying, “The House Republican proposal for a fiscal commission is a terrible idea that would push older Americans into poverty, take away people’s health care and end up costing the government more.”

### **Minnesota Alliance Joins Priorities USA, Civil Plaintiffs in Lawsuit Against State Absentee Ballot Restriction**

The Minnesota Alliance filed a lawsuit Tuesday in state court challenging a provision that needlessly restricts absentee ballot access in the state.

The case, Minnesota Alliance for Retired Americans Educational Fund v. Simon, challenges Minnesota’s vote by mail ballot requirement that forces voters to obtain the signature of another registered Minnesota voter, notary, or other official on their absentee ballot envelope. The lawsuit challenges this burdensome requirement asserting that it is a violation of federal voting rights laws.

“All voters should be able to vote by mail and know that their ballot will be counted,” said **Michael Madden**, President of the Minnesota Alliance. “These requirements create an unnecessary barrier to voting, especially for older Americans who may live alone. It does nothing to make voting more secure.”

A copy of the complaint can be found [here](#).

### **1.5 Million Medicare Part D Beneficiaries Will Benefit from the \$2,000 Annual Cap on Out-of-Pocket Drug Costs**

In 2025, Medicare beneficiaries will pay no more than \$2,000 out of pocket for prescription drugs covered under Part D, Medicare’s outpatient drug benefit. The cap on copays and coinsurance for prescription drugs is another critical cost-saving measure resulting from the **Biden** Administration’s Inflation Reduction Act and comes on top of the elimination of 5% coinsurance in the catastrophic coverage phase of the Part D benefit, in effect for 2024.

“There is already a \$3,200 out-of-pocket cap in place under Part D this year,” said **Joseph Peters, Jr.**, Secretary-Treasurer of the Alliance. “The \$2,000 cap in 2025 will bring seniors and their families even more relief.”

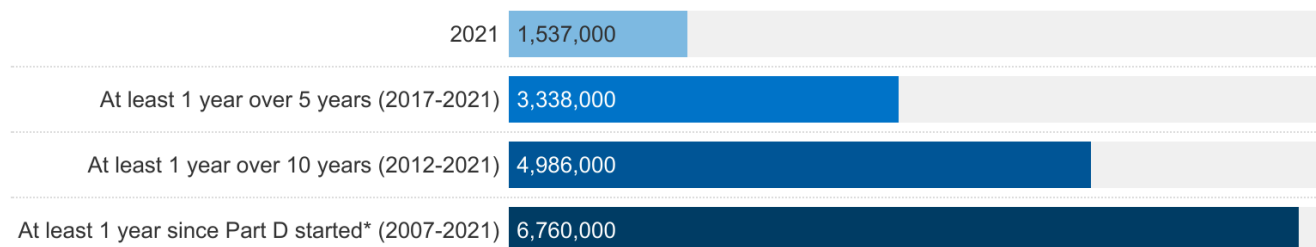
An [analysis](#) from *KFF Health News* found that, from 2012-2021, an estimated 5 million Part D beneficiaries faced out-of-pocket drug costs that exceeded \$2,000. KFF now predicts that 1.5 million Medicare beneficiaries could save money in any single year thanks to the cap. Outrageous

out-of-pocket expenditures for essential treatments – like what was experienced in the 2010s – will now no longer be a reality for those enrolled in Medicare.

Figure 1

## Five Million Medicare Part D Enrollees Spent \$2,000 or More Out of Pocket on Prescription Drugs in at Least One Year Between 2012 and 2021

Number of Medicare Part D enrollees with out-of-pocket drug spending of \$2,000 or more in:



NOTE: Estimates exclude Part D enrollees receiving Low-Income Subsidies. Estimates rounded to the nearest thousand. \*2007 was the first full year of Part D coverage.

SOURCE: KFF analysis of 2007-2021 Medicare Part D claims from the CMS Chronic Conditions Data Warehouse.

**KFF**

Importantly, those with especially serious conditions like cancer and rheumatoid arthritis, who are the most likely to spend thousands upon thousands on out-of-pocket costs, will benefit the most from the cap.

### Federal Judge Dismisses PhRMA Lawsuit Challenging Medicare Drug Negotiations

A Texas federal judge [dismissed](#) a lawsuit challenging the Biden administration’s Medicare drug price negotiations on Monday, marking the first time a court has outright dismissed a challenge to Medicare’s new price negotiation authority. This lawsuit, filed by the pharmaceutical lobbying group PhRMA, is one of nine lawsuits challenging the constitutionality of Medicare’s negotiations for lower prescription drug prices.

The dismissal is an early legal success for the administration, providing a path for cost-saving negotiations to come. While other PhRMA lawsuits are expected to be bitterly fought well into the future, the drug industry cannot obstruct the process in the meantime — Medicare price negotiations have already begun, and finalized prices are expected in August. The lower prices will take effect in 2026.

The reason for the outright dismissal had more to do with the technicalities of how the lawsuit was filed rather than its main claim that negotiations violate drug companies’ due process. PhRMA’s lawsuit was joined by a trade association, the National Infusion Center Association (NICA). Judge **David Alan Ezra** in the Western District of Texas dismissed NICA from the suit because of the court’s lack of jurisdiction. Without NICA, the case no longer had any plaintiff that resided in Texas, leading to the entire case being tossed.

“The decision is a win for seniors as the court rejected this unserious lawsuit,” said **Richard Fiesta**, Alliance Executive Director. “Medicare drug price negotiations will benefit millions of

retirees who struggle daily to afford essential prescription drugs. The Alliance has worked for twenty years for Medicare drug negotiations and we're at the brink of seeing it become a reality."

## **2024 Regional Meeting Announcement**

The Alliance for Retired Americans will hold four Regional Meetings this spring beginning in May 2024. During the meetings, four Alliance Executive Board Members from each Region will be elected. We will send "Save-the-Date" information in the next two weeks and registration will be open soon after. Please contact **Joni Jones** at [JJones@retiredamericans.org](mailto:JJones@retiredamericans.org) with any questions.

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The Alliance for Retired Americans is a national grassroots advocacy organization with 4.4 million members fighting for retirement security for all Americans. [www.retiredamericans.org](http://www.retiredamericans.org) @activeretirees