



FRIDAY ALERT



Alliance for Retired Americans

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Study: Medicare Would Have Saved \$26.5 Billion if Drug Price Negotiation Had Been in Effect Between 2018 and 2020

Medicare's negotiations with the pharmaceutical industry to determine drug prices are set to conclude at the end of August 2024, with the new prices taking effect beginning in 2026.

The specific savings are not yet known, but researchers recently conducted a [simulation](#) to determine the extent of Medicare savings if the Inflation Reduction Act (IRA) of 2022 had been the law between 2018 to 2020. The results, published in *JAMA Health Forum*, concluded that Medicare spending could have been reduced by 5%, or \$26.5 billion.

The researchers used Medicare parts B and D data as well as the drugs' list prices to simulate both the selection of drugs and negotiated ceiling prices.

"This study shows why the pharmaceutical industry fought so hard to prevent Medicare from negotiating lower prices," said **Robert Roach, Jr.**, President of the Alliance. "Reining in drug prices is essential to strengthening the Medicare system."

The Inflation Reduction Act (IRA) allows 10 drugs for the first year of selection (2026), 15 drugs in both the second and third years, and 20 drugs annually in the subsequent years following.

Michigan Alliance Goes to Court to Defend Vote by Mail

The Michigan Alliance for Retired Americans and the Detroit Downriver Institute of the A. Philip Randolph Institute (DAPRI) have filed an intervention in a lawsuit to defend against the Republican National Committee's (RNC) attempts to make it more difficult for voters to cast an absentee ballot in the state.

The RNC lawsuit asks the Court to invalidate the Secretary of State's guidance regarding the verification of signatures on absentee voter ballot applications and carrier envelopes. This threatens to introduce confusion and uncertainty into the signature verification process, and to disenfranchise absentee voters based on minor and inconsequential differences between signatures.

The Michigan Alliance intervened in the lawsuit so that members and constituents are able to exercise their right to vote by mail.

"This lawsuit is a blatant attempt at voter suppression," said **Jim Pedersen**, President of the Michigan Alliance. "Older voters are the most likely to vote by absentee ballot and should not be at risk of having their ballot being rejected because of an alleged minor difference in their signatures."

"This constant attack on the voters rights in Michigan is a shameless attempt at intimidation and harassment," added **Andrea A. Hunter**, Detroit/Downriver APR-President. "This voter suppression tactic will most definitely affect our handicapped, elderly and non-transit citizens who depend on absentee voting."

Alliance's 2024 Regional Meetings Are Fast Approaching

RETIREE ROUNDTABLE:

Participate in collaborative brainstorming discussions on challenges facing our retiree movement. This time is all about pooling our wisdom to tackle the issues and build a plan for action together.

STORYTELLING FOR SOLIDARITY: COLLECTING STORIES FOR COLLECTIVE ACTION:

Harness the power of storytelling to connect and drive our advocacy. We'll guide you on how to effectively gather and use stories to strengthen our collective efforts for change.

SENIOR POWER MULTIPLIED: EXPANDING RETIREE ACTIVISM:

Learn how to extend our activism's reach and impact. We'll provide practical steps to engage more retirees and amplify our voice in the fight for retirement security for all.

NAVIGATING LEGISLATIVE ADVOCACY: STRATEGIES FOR SUCCESS:

A workshop delving into the most effective ways to promote legislative policies that benefit retirees with elected officials.

You're invited!

Join us at our [regional meetings](#) and strengthen your skills as a retiree activist. Make sure you're ready to help elect pro-retiree candidates this November and win the fight for retirement security.

Attendees will elect regional Alliance Executive Board members, hear from local labor leaders and elected officials, and participate in interactive workshops and training sessions. The meetings and dates are: Midwest, May 15-16, 2024; Western, June 5-6, 2024; Southern, June 11-12, 2024; and Northeast, July 30-31, 2024. [Click to see what region you are in and register.](#)

All meeting attendees will participate in four interactive workshops with fellow retiree activists.

For more information, please contact **Joni Jones** by calling 202-637-5377 or e-mail AllianceConference@retiredamericans.org.

Trump Promises to Extend Tax Cuts for Billionaires

During a private speech delivered at the home of billionaire hedge fund investor **John Paulson** last Saturday, Trump [promised to extend his 2017 tax cuts](#) beyond their 2025 expiration date.

Since the law's changes were implemented, billionaire wealth in the United States has doubled. That is partly because the law cut the top income tax rate from 39.6 percent to 37 percent and made a permanent cut in the corporate tax rate from 35 percent to 21 percent.

According to the Institute on Taxation and Economic Policy, an extension of the tax bill would result in the wealthiest one percent of Americans receiving an [average tax cut of \\$25,650](#) in one year, while the poorest 20 percent would see a dismal average tax cut of just \$100.

In addition, a 2023 Congressional Budget Office (CBO) [analysis](#) requested by Senators **Sheldon Whitehouse** (RI) and **Ron Wyden** (OR) showed that Republicans' plan to permanently extend the Tax Cuts and Jobs Act (TCJA) and the tax breaks would add \$3.5 trillion to the deficit within the next decade.

"Contrary to Republican claims that the tax cuts would pay for themselves, the Trump tax cuts added trillions to America's debt," said **Joseph Peters, Jr.**, Secretary-Treasurer of the Alliance. "We literally cannot afford another Trump presidency."

New Research Links Skyrocketing Corporate Profits and Inflation



New government data shows that in the fourth quarter of 2023, corporate profits [reached \\$2.8 trillion](#), an all-time high — and profit margins for corporations during the quarter were above 15%, a level not seen since the 1950's.

At the same time, a recent report from Groundwork Collaborative calculated that corporate profits drove 53% of inflation from April to September 2023.

Robert Reich, Secretary of Labor from 1993 to 1997 in the cabinet of President **Bill Clinton**, [says](#) that prices remain high because corporations got

hooked on price-gouging and don't want to give it up. And Sen. **Warren** told *Yahoo Finance* in a statement that "giant corporations are fueling nearly half of all inflation by playing tricks on the American people."

“The Alliance supports President **Biden's** plan to raise the corporate tax rate to 28% and ensure that billion-dollar corporations pay at least 21% of their income in taxes,” said **Richard Fiesta**, Executive Director of the Alliance. “It’s high time corporations and the wealthy pay their fair share.”

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 @activeretirees