



FRIDAY ALERT



Alliance for Retired Americans

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January 17, 2025

15 New Drugs Selected for 2025 Medicare Price Negotiation

On Friday, The Department of Health and Human Services (HHS) [released a list](#) of 15 new prescription drugs that Medicare will negotiate lower prices for. Under the law, HHS is required to negotiate a specific number of drugs each year.

[The list contains](#) a number of drugs that older Americans use, including Janumet, which is used to treat diabetes, and Otezla, which is used to treat psoriatic arthritis. Ozempic, Rybelsus, and Wegovy – which are used to treat diabetes, cardiovascular disease, and obesity – are the most widely used drugs on the list, with about 2.2 million Medicare Part D beneficiaries taking them between November 2023 and October 2024. Trelegy Ellipta, used to treat Chronic Obstructive Pulmonary Disease, is the next most widely used drug, with about 1.2 million Part D enrollees using it for treatment.

“Lower prices for these drugs are needed and will save patients and taxpayers billions of dollars a year,” said **Richard Fiesta**, Executive Director of the Alliance. “We call on President-elect Trump and the next Administration to follow the law and negotiate a fair deal that puts the needs of patients first.”

Drug corporations will have until February 28, 2025, to indicate whether they will participate in the negotiations.

Drug Name	Commonly Treated Conditions*	Total Part D Gross Covered Prescription Drug Costs from November 2023-October 2024	Number of Medicare Part D Enrollees Who Used the Drug from November 2023 - October 2024
Ozempic; Rybelsus; Wegovy	Type 2 diabetes; Type 2 diabetes and cardiovascular disease; Obesity/overweight and cardiovascular disease	\$14,426,566,000	2,287,000
Trelegy Ellipta	Asthma; Chronic obstructive pulmonary disease	\$5,138,107,000	1,252,000
Xtandi	Prostate cancer	\$3,159,055,000	35,000
Pomalyst	Kaposi sarcoma; Multiple myeloma	\$2,069,147,000	14,000
Ibrance	Breast cancer	\$1,984,624,000	16,000
Ofev	Idiopathic pulmonary fibrosis	\$1,961,060,000	24,000
Linzess	Chronic idiopathic constipation; Irritable bowel syndrome with constipation	\$1,937,912,000	627,000
Calquence	Chronic lymphocytic leukemia/small lymphocytic lymphoma; Mantle cell lymphoma	\$1,614,250,000	15,000
Austedo; Austedo XR	Chorea in Huntington's disease; Tardive dyskinesia	\$1,531,855,000	26,000
Breo Ellipta	Asthma; Chronic obstructive pulmonary disease	\$1,420,971,000	634,000
Tradjenta	Type 2 diabetes	\$1,148,977,000	278,000
Xifaxan	Hepatic encephalopathy; Irritable bowel syndrome with diarrhea	\$1,128,314,000	104,000
Vraylar	Bipolar I disorder; Major depressive disorder; Schizophrenia	\$1,085,788,000	116,000
Janumet; Janumet XR	Type 2 diabetes	\$1,082,464,000	243,000
Otezla	Oral ulcers in Behçet's Disease; Plaque psoriasis; Psoriatic arthritis	\$994,001,000	31,000


Out-of-Pocket Cap Expected to Save Medicare Beneficiaries More than \$7 Billion in 2025

A [new analysis](#) indicates that the Inflation Reduction Act's \$2,000 cap on annual out-of-pocket prescription drug costs – which kicked in this year – will result in significant savings for seniors. About 11 million Americans with Medicare are expected to meet the cap and enter the catastrophic coverage phase in which they will no longer have to pay for their prescription drugs.

THANKS TO THE INFLATION REDUCTION ACT:

All Medicare Part D enrollees now have their out-of-pocket costs capped at:

\$2,000 ANNUALLY.



LowerDrugCosts.gov

The research projects that enrollees will save an average of \$600 to \$1,100 dollars, depending on whether they also receive additional prescription drug financial assistance from Medicare's Part D Low-Income Subsidy program, Extra Help. Beneficiaries with certain chronic conditions will get the largest amount of savings: Cystic fibrosis patients could save an average of \$6,700 annually; multiple myeloma patients could save about \$4,700; patients with metabolic and

immune disorders could save about \$3,600; and major organ transplant patients could save about \$3,300 annually.

The \$2,000 cap is one of several changes that have been implemented since 2022, when President Biden signed the Inflation Reduction Act into law. Medicare negotiated lower prices for the 10 most expensive drugs for the first time ever last year, and since 2023, seniors have not had to pay more than \$35 a month for their insulin copays and can access all recommended vaccines for free.

“The cap on out-of-pocket drug expenses is yet another example of how the Inflation Reduction Act was and will continue to be a boon for seniors and people with disabilities,” said **Robert Roach, Jr.**, President of the Alliance. “It’s also a powerful tool to combat rising drug prices and corporate greed.”

Medicare Advantage Does Not Provide More Supplemental Coverage for Beneficiaries

Despite Medicare Advantage plans being able to offer beneficiaries dental, vision, and hearing services, [a new study](#) shows that beneficiaries do not actually receive more of these services than people with traditional Medicare.

The study found that people enrolled in Medicare Advantage plans are unaware of the supplemental benefits they have, with a mere 54% of participants reporting knowledge that they had dental coverage and/or vision coverage. Additionally, they are no more likely than traditional Medicare beneficiaries to take advantage of these benefits, getting hearing aids, eye exams, and eyeglasses at similar rates.

“Medicare Advantage plans receive more money from taxpayers compared to traditional Medicare with the expectation that some of those payments go toward supplemental coverage. But that’s not happening,” said **Joseph Peters, Jr.**, Secretary-Treasurer of the Alliance. “It’s time to add hearing, dental, and vision benefits to traditional Medicare and make sure all beneficiaries receive the health care they need.”

KFF Health News: Trump’s Return Puts Medicaid on the Chopping Block **by Phil Galewitz**

Under President Joe Biden, enrollment in Medicaid hit a record high and the uninsured rate reached a record low.

Donald Trump’s return to the White House — along with a GOP-controlled Senate and House of Representatives — is expected to change that.

Republicans in Washington say they plan to use funding cuts and regulatory changes to dramatically shrink Medicaid, the nearly \$900-billion-a-year government health insurance program

that, along with the related Children’s Health Insurance Program, serves about 79 million mostly low-income or disabled Americans.

The proposals include rolling back the Affordable Care Act’s expansion of Medicaid, which over the last 11 years added about 20 million low-income adults to its rolls. Trump has said he wants to drastically cut government spending, which may be necessary for Republicans to extend 2017 tax cuts that expire at the end of this year.

[Read more here.](#)

Remembering Dr. Martin Luther King, Jr.’s Pro-Worker Legacy

As we celebrate the **Martin Luther King, Jr.** holiday – Monday, January 20 – it’s important to remember his work to connect the labor and the civil rights movements.

Dr. King understood that unions ensure that working people have a voice. He [told the 1961 AFL-CIO Convention that](#) “(t)he labor movement did not diminish the strength of the nation but enlarged it. By raising the living standards of millions, labor miraculously created a market for industry and lifted the whole nation to undreamed of levels of production. Those who today attack labor forget these simple truths, but history remembers them.”



Dr. King’s legacy was highlighted last week at the [Dr. Martin Luther King Jr. Civil and Human Rights Conference](#) in Austin, Texas. Event speakers included AFL-CIO President **Liz Shuler**, AFL-CIO Secretary-Treasurer **Fred Redmond**, Rep. **Jasmine Crockett** (D-TX), and Rep. **Greg Casar** (D-TX). Members of the Texas Alliance attended and staffed an information booth.

“Dr. King’s work to intertwine civil rights with workers’ rights was invaluable,” said President **Roach**. “We must advance his work by continuing to preserve everyone’s right to join together in union and have a voice on the job.”