

## **NEWS FROM A RURAL WV DEMOCRATIC VIEWPOINT**

### **The IRA, Seniors & Drugs: What We Don't Know Can Hurt Us**

The Inflation Reduction Act (IRA) was passed by Democrats alone. No Republicans voted for it. President Biden signed it into law on August 16, 2022. Democrats are celebrating the one-year anniversary.

Yet, a Gallup poll last week found that more than 80% of Americans over the age of 55 believe the IRA has not directly helped them. They believe the bill is a failure and want to know why Democrats are celebrating.

According to Gallup, the first objection is that prices for food and drugs have gone up so the bill didn't reduce inflation. In fact, *inflation has been reduced*. The US inflation rate is now 3.2%. A year ago it was 8.52%. Inflation has been reduced a lot, prices are rising more slowly and some are coming down.

But the IRA did much more than reduce inflation. One big thing is improved senior health care.

Starting January 1, insulin copays are capped at \$35 for more than 3 million people on Medicare. Even people not on Medicare will benefit. Seeing the writing on the wall, after the bill passed, three major insulin manufacturers then slashed their prices to meet the \$35 cap.

Both the VA and Medicaid negotiate drug prices, but Medicare couldn't – until now. When Medicare Part D (drug coverage) was introduced in 2003, Republicans on behalf of Big Pharma, refused to allow Medicare to negotiate the prices of drugs it would supply. They wanted the big profits.

As a result, VA prices on 203 generic drugs were 68% lower than the same drugs for Medicare patients.

One in 5 seniors say they skip doses of their drugs because of the cost of medication.

Big Pharma companies argued that lower drug prices would just hurt seniors in the long run because it would take away funds for innovative research to save lives.

Turns out that isn't true. Drug companies spend 19 times more on marketing than on research and development. Those ads – “Ask Your Doctor if You Need More Drugs” – they don't come cheap.

There are currently 1,834 registered lobbyists working for pharmaceutical and health products. Big Pharma has more than three lobbyists for each member of Congress. Lobbyists aren't cheap.

Starting this year, thanks to the IRA, Medicare is negotiating prices of 10 common drugs that treat blood clots, diabetes, heart disease and chronic kidney disease. The reduced prices go into effect in January 2026. Each year 10, and then 15 more drug prices will be lowered. After 2028, 20 more drug prices will be lowered every year.

In 2022, just one of these drugs could cost seniors up to \$6,497 in out-of-pocket expenses for one year.

84% of Americans support Medicare negotiating drug prices.

Even the AARP, not usually a cheerleader for government actions, said this is “monumental.”

The IRA also invests \$64 billion in subsidies for the Affordable Care Act to keep insurance costs stable.

Another IRA benefit: starting in 2025, seniors with Medicare's Part D drug plans will have their out-of-pocket expenses for prescriptions capped at \$2,000 per year.

And still another change for the better: Last summer, the FDA approved over-the-counter sales of hearing aids, making them more affordable and easily available. The use of hearing aids can lower the risk of dementia by almost half, a recent study showed.

Republicans in Congress have promised to repeal the IRA. Now that you know these personal benefits for you or your grandparents, do you really want to vote for a Republican for Congress, who has vowed to take these benefits away?