



August 29, 2016 E-Newsletter

Why doesn't the federal government ensure reasonable prices for drugs developed with public funds?



The U.S. invests **more than \$32 billion each year in drug and**

biomedical research. This major public investment in drug research empowers the government to make drugs affordable under the Bayh-Dole Act of 1980. But, **even when drug companies price critical drugs at staggeringly high prices, the government has never used this authority. Why doesn't the federal government ensure reasonable prices for drugs developed with public**

funds—an appropriate return on the public's investment?

According to **Peter Arno and Michael H Davis**, Bayh-Dole revises the U.S. patent law so that the federal government can ensure new drugs developed in part or whole with federal dollars are priced reasonably. Put differently, when federal dollars support research on a new drug, the drug manufacturer is supposed to price the drug reasonably. If the manufacturer does not, the federal government has the right to authorize another manufacturer to license the drug and sell it at a reasonable price.

So, even when there's a patent on a drug developed with federal money, the U.S. has the right to a royalty-free license. As **Alfred Engelberg and Aaron Kesselheim write in Nature Medicine**, June 2016, Senator Bayh explained that the goal was for the U.S. to "use for itself and the public good inventions arising out of research that the Federal Government helps to support." But, the government's authority under the law can be interpreted broadly or narrowly.... **Read More**

What It's Like Living on Social Security

By **Daisy Chan**

(This article appeared previously on **Grandparents.com**)

No doubt you've heard politicians and pundits debating the state of Social Security, and throwing out all kinds of numbers. But the bottom line for retirees has always been simple: Will I get enough to live on? Barbara Woodruff, of St. Louis, can answer yes to that question — but just barely. "It's very difficult living on **Social Security**," says the 65-year old, who retired when she turned 62.

Having lost her job as a cashier as well as her apartment and car in the recession, and being unable to find another job, the single retiree felt she had little choice but to retire in order to have an income. Her total Social Security benefit : \$633 a month.

According to the Social Security Administration, Woodruff is far from alone. Nine out of 10 Americans 65 and older receive **Social Security benefits**, and it's often their primary source of income. Social Security was at least 50

percent of income for 52 percent of beneficiary couples and 74 percent of single beneficiaries, and at least 90 percent of income for 22 percent of couples and 45 percent of singles.



Barbara Woodruff shares her story, and it may surprise you.

Click here to read more

Living on a Social Security Benefit When Cutting Back Hurts Fixed Income Must-Do

Remembering a true Retiree advocate, William (Bill) Tyszka



The Rhode Island Alliance for Retired Americans is saddened to learn of the passing of William (Bill) Tyszka, a member of Connecticut AFSCME Council 4 Retiree Chapter and Connecticut ARA Board member..

Bill gave selflessly of his time and energy, whether it was rallying to protect Social Security and other retirement benefits, lobbying legislators, volunteering at our veteran's picnic or turning out the vote to elect pro-labor candidates. Bill and his wife Marilyn attended all the New England Regional meeting.

Bill was a gentle but fiercely determined giant. Our deepest condolences to Bill's wife Marilyn Tyszka, who continues to make the world a better place -- because that's the Tyszka way.

Trump Lies About Social Security And Undocumented Workers



In pivoting to the general election, Donald Trump recently proclaimed, “I will never lie to you.” That, of

course, is a lie.

Some of Trump’s lies are inconsequential, like his claim to never lie; others, though, are extremely damaging, furthering his political agenda while undermining the security of us all. His recent Social Security lie, embedded in his first general election ad, falls into that latter category.

In that ad, Trump includes a lie that can be found circulating around the internet but contains not one iota of truth. The ad claims that unauthorized workers (people he pejoratively calls “illegal”) receive

Social Security. The exact opposite is true.

Millions of undocumented workers, working in jobs where Social Security is automatically deducted from paychecks, contribute billions of dollars to Social Security every year. Yet, by law, they cannot collect a penny of benefits. The Chief Actuary of the Social Security Administration **has estimated** that undocumented workers have contributed over \$100 billion to Social Security in the last decade alone.

Trump’s claim that he will lose Pennsylvania only if the election is rigged seeks to undermine confidence in the integrity of our elections. His lie about undocumented workers receiving Social Security seeks to undermine confidence in another crucial institution, our Social

Security system.

Social Security is vital to the economic security of all of us. It provides working families with their most important source of retirement income, life insurance, and disability insurance. It provides these benefits efficiently, fairly, and securely. Less than a penny of every dollar spent by Social Security goes to administration. The remaining more than 99 cents goes directly to the American people in the form of benefits. Without Social Security nearly half of today’s seniors would have incomes below the Federal poverty line. **Our nation’s largest children’s program**, Social Security provides benefits, either directly or indirectly, to around nine percent of America’s children....**Read More**

CMS Identifies Hospitals Paid Nearly \$1.5B In 2015 Medicare Billing Settlement

A year after paying nearly \$1.5 billion to more than a third of U.S. hospitals to resolve longstanding Medicare billing disputes, the Obama administration has disclosed who got paid.

New York-Presbyterian Hospital, one of the nation’s largest academic medical centers, received nearly \$16 million, more than any other hospital, according to data released by the Centers for Medicare & Medicaid Services.

The second largest amount went to North Shore University Hospital in Manhasset, N.Y., which received \$14.5 million. CHI Memorial Hospital in Chattanooga, Tenn., ranked third — \$10.9 million — but two other New York-area hospitals rounded out the top five.

Long Island Jewish Medical Center received \$10.8 million and NYU Langone Medical Center was paid \$10.5 million, the CMS data show.

In total, 2,022 hospitals shared in the government payout, which settled 346,000 claims for reimbursement for treating Medicare patients admitted on or before Oct. 1, 2013. The largest payments resolved thousands of claims at once. Memorial Hospital’s settlement covered nearly 3,000 claims.

The settlements were a compromise to reduce a swollen **backlog of disputes** over what hospitals argued they were owed. At one time, pending cases under appeal stretched more than two years.

The resolutions followed the government’s offer in 2014 to pay the hospitals 68 percent of the value of inpatient claims that had been caught in Medicare’s hearings and appeals process, some for years.

The new CMS data show 35 hospitals received more than \$5 million each, but most were paid far less. The median payment — meaning half the hospitals got more and half got less — was \$307,642, according to a Kaiser Health News analysis. The data was released in response to a Freedom of Information Act request made last year by KHN...**Read More**



U.S. Officials Move to End Duplicate Health Care Coverage



WASHINGTON — The Obama administration is moving to end duplicate coverage for tens of thousands of people who are enrolled in **Medicaid** and simultaneously receiving federal subsidies to help pay for private **health insurance** under the Affordable Care Act.

In the last few days, consumers around the country have received letters warning,

in big black type: “People in your household may lose financial help for their marketplace coverage.”

The unsigned letters from the federal insurance exchange tell consumers that they “should immediately end marketplace coverage with premium tax credits for each person” in the household who is also enrolled in Medicaid or in the Children’s Health Insurance Program.

If they fail to act, the administration says, it will unilaterally cut off any

financial assistance they receive to help pay insurance premiums, deductibles and other out-of-pocket medical costs.

The action, supervised by Sylvia Mathews Burwell, the secretary of health and human services, comes more than nine months after congressional investigators from the Government Accountability Office said they had discovered the potential for duplicate coverage, with double payment.

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As The For-Profit World Moves Into An Elder Care Program, Some Worry



DENVER — Inside a senior center here, nestled along a bustling commercial strip, Vivian

Malveaux scans her bingo card for a winning number. Her 81-year-old eyes are warm, lively and occasionally set adrift by the dementia plundering her mind.

Dozens of elderly men and women — some in wheelchairs, others whose hands tremble involuntarily — gather excitedly around the game tables. After bingo, there is more entertainment and activities: Yahtzee, tile-painting, beading.

But this is no linoleum-floored community center reeking of bleach. Instead, it's one of eight vanguard centers owned by InnovAge, a company based in Denver with ambitious plans. With the support of private equity money, InnovAge aims to aggressively expand a little-known Medicare program that will pay to keep older and disabled Americans out of nursing homes.

Until recently, only nonprofits were allowed to run programs like these. But a year ago, the government flipped the switch, opening the program to for-profit companies as well, ending one of the last

remaining holdouts to commercialism in health care. The hope is that the profit motive will expand the services faster.

Hanging over all the promise, though, is the question of whether for-profit companies are well-suited to this line of work, long the province of nonprofit do-gooders. Critics point out that the business of caring for poor and frail people is marred with abuse. Already, new ideas for lowering the cost of the program have started circulating. In Silicon Valley, for example, some eager entrepreneurs are pushing plans that call for a higher reliance on video calls instead of in-person doctor visits.

The business appeal is simple: A baby boom-propelled surge in government health care spending is coming. Medicare enrollment is expected to grow by 30 million people in the next two decades, and many of those people are potential future clients. Adding to the allure are hefty profit margins for programs like these — as high as 15 percent, compared with an average of 2 percent among nursing homes — and geographic monopolies that are all but guaranteed by state Medicaid agencies to ensure the solvency of providers

The goal of the program, known as PACE, or the **Program of All-Inclusive Care for the Elderly**, is to help frail, older Americans live longer and more happily in their own homes, by providing comprehensive medical care and intensive social support. It also promises to save Medicare and Medicaid millions of dollars by keeping those people out of nursing homes.

For decades, though, the program has failed to catch on, with only 40,000 people enrolled as of January of this year.

"PACE is still a secret in the minds of the public," Andy Slavitt, Medicare's acting administrator, said at the National PACE Association meeting in April. The challenge, he said, was to make PACE "a clear part of the solution."

Several private equity firms, venture capitalists and Silicon Valley entrepreneurs have jumped into the niche. F-Prime Capital Partners, a former Fidelity Biosciences group, provided seed funding for a PACE-related startup, as have well-regarded angel investors like Amir Dan Rubin, the former Stanford Health Care president, and Michael Zubkoff, a Dartmouth health care economist....**Read More**

When It Comes to Uber, Miss Daisy May be Driving You

Looks like it's Miss Daisy's turn to take the wheel.

A growing number of seniors are turning to the gig economy and outfits like **Uber** to earn supplemental income, according to a new study published Wednesday by the **JPMorgan Chase Institute**.

The report pooled an anonymized sample of more than 260,000 Chase customers over a roughly three-year window dating back to October 2012. Researchers found that the number of Americans who earned income from what they refer to as the "online platform economy" had climbed from 0.1 percent to 4.2 percent between late 2012 and September 2015.

And when the researchers extrapolated

their findings to cover the entire economy, they found that more than 400,000 seniors bring in some income from the gig economy.

"An increasing number of seniors are supplementing their income through the online platform economy," the report says. "Many online platforms are especially well-suited for seniors in that they permit flexible work and allow people to generate income from accumulated assets."

The report notes that only about 1 percent of seniors earn money through the gig economy, but "further growth in participation by seniors appears quite possible." And among those who do supplement their income through gigs and apps, many rely on these jobs for a significant portion of their income.

Seniors who earned income from labor-focused gigs like Uber brought in 28 percent of it over 12 months through such services, compared with just 26 percent for all ages. Seniors who profited from capital-based gigs like Airbnb, meanwhile, brought in 11.5 percent of their incomes through those opportunities, compared with just 10.7 percent for all ages.

"In other words, those seniors who did participate in online platforms were more reliant on them for income than younger adults on average," the report says....**Read More**



Geriatric ERs Reduce Stress, Medical Risks For Elderly Patients



NEW YORK — The Mount Sinai Hospital emergency room looks and sounds like hundreds of others across the country: Doctors rush through packed hallways; machines beep incessantly; paramedics wheel stretchers in as patients moan in pain.

“It’s like a war zone,” said physician assistant Emmy Cassagnol. “When it gets packed, it’s overwhelming. Our sickest patients are often our geriatric patients, and they get lost in the shuffle.”

But just on the other side of the wall is

another, smaller emergency room designed specifically for those elderly patients.

Patients like Hattie Hill, who is 105 years old and still living at home. A caregiver brought her in one rainy day in late spring because she had a leg infection that wasn’t responding to antibiotics. Hill, who also has arthritis and a history of strokes, said she prefers the emergency room for seniors because she gets more attention.

“I don’t have to wait so long,” she said. “And it’s not so loud.”

Packed emergency rooms are

unpleasant for everyone. But they can be dangerous for elderly patients, many of whom come in with multiple chronic diseases on top of a potentially life-threatening illness or injury.

“Who is going to suffer the most from these crowded conditions?” asked Ula Hwang, associate professor in the emergency medicine and geriatrics departments at the Mount Sinai School of Medicine. “It is going to be the older adult ... the poor older patient with dementia lying in the stretcher with a brewing infection that is forgotten about because it’s crazy, ... [Read More](#)

Doctors, Hospitals Prepare For Difficult Talks Surrounding Medical Mistakes

It was a fourth of July weekend but Sharon O’ Brien, an intensive care physician, was not celebrating. A medical error earlier landed a patient in her ICU. The patient eventually died — and she had to decide what to tell the patient’s family.

Should she apologize? How much detail should she share about the mistake? Would a frank discussion put the hospital at risk of a lawsuit?

“I had never really been in that situation before,” said O’Brien, recalling the 2004 incident. She decided to tell the patient’s family about the error, bracing herself to face their anger. While the family was stricken by grief, they appreciated her honesty.

“I spent a lot of time with the patient’s family supporting them and explaining what had happened, and yet I felt so unsupported in that experience,” said O’Brien, a physician at MedStar Georgetown University Hospital.

Hospitals have traditionally been reticent to disclose to patients or their family members the specifics of how a medical procedure didn’t go as planned for fear of malpractice lawsuits. In recent years, though, many are beginning to consider a change. Instead of the usual “deny-and-defend” approach, they are revamping their policies to be more open.

To help them move in this direction, the federal Agency for Healthcare Research and Quality released in May an online

toolkit designed to expand the use of the agency’s

“Communication and Optimal Resolution”

process, which establishes guidelines for adopting more transparency in communicating adverse events.

Hospitals’ interest in this approach has been fueled by studies showing that patients want to know when an adverse event has occurred and doctors suffer from anxiety when there are restrictions and concerns about what they are allowed to discuss. Some studies have found that patients are more likely to sue when they perceive that there is a lack of honesty. ... [Read More](#)



The New England ARA state affiliates are actively pursuing these Petitions.

Petition Subject: Observation Status: “Current Hospital Issues in the Medicare Program”

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SIGN THE PETITION!!!!**

Petition Subject: House Concurrent Resolution 37 and Senate Concurrent Resolution 12 to get power doors installed in Post Offices and other federal buildings.

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Petition Subject: Elimination of the Unfair GPO and WEP Provisions of the Social Security Act to make sure the Congress of the United States enacts legislation, HR.973 & S.1651

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