



## August 5, 2013 E-Newsletter

### On Medicare's 48<sup>th</sup> Birthday, Retirees Push for Passage of the Medicare Drug Savings Act

*The following statement was issued by Edward F. Coyle, Executive Director of the Alliance for Retired Americans, on the occasion of the 48th birthday of Medicare and Medicaid.*

Washington, DC – “On today’s anniversary of Medicare and Medicaid, grassroots activists with the Alliance for Retired Americans are grateful that these programs have provided 48 years of care and security for millions, allowing millions of retirees and people with disabilities to afford to see a doctor or fill a prescription.

“Unfortunately, Washington is fixated on deficit reduction to the detriment of Medicare. Instead of asking the wealthiest 2% to pay their fair share, some politicians are trying to balance the

budget on the backs of seniors and people with disabilities by further means-testing Medicare. This would actually affect middle-income retirees - and shift more costs to beneficiaries. These benefit cuts would seriously hurt current and future retirees, undermine the program and are completely unnecessary.

“According to this year’s Medicare Trustees Report, Medicare is completely solvent until 2026, two years later than last year’s report. **We can have a strong, sustainable Medicare**

**program without cutting benefits or increasing costs, if we take measures to limit drug companies from price-gouging American taxpayers.**

Already, according to HHS, over 6.6 million people with Medicare have saved over \$7 billion on prescription drugs in the Medicare Part D doughnut hole since the law was enacted, for an average of \$1,061. In the first 6 months of 2013, 16.5 million beneficiaries on traditional Medicare took advantage of at least one free preventive service.

“The Medicare Drug Savings Act (S. 740 in the

Senate and H.R. 1588 in the House), introduced by Sen. Jay Rockefeller (D-WV) and Rep. Henry Waxman (D-CA), would save Medicare more than \$140 billion by eliminating the loophole that blocks Medicare from negotiating with Big Pharma for cheaper drugs.

“For some powerful stories about people currently receiving Medicare benefits who would be further harmed by cuts, go to <http://www.retiredamericans.org/issues/medicare-and-rx-drugs>.”

### ***National Journal: Senior Vote Will Play a Critical Role in the 2014 Midterm Elections***



The senior vote will likely be a crucial factor in the outcome of the 2014 midterm elections, as older Americans are well known for disproportionately high turnout in midterm years. **Charlie Cook** wrote in *National Journal* recently that Democrats are closely watching the voting pattern of older Americans, “a group that voted heavily Republican in the 2010 midterm and, to a lesser extent, in 2012.” Recent polling has shown that seniors are increasingly divided between the two parties. In March and July surveys, older voters’ responses are showing only about half the GOP margin their voting showed last November, and about a quarter of the Republican margin in the 2010 midterm elections. Read the article at... [Read More](#)

# **HHS Intergovernmental and External Affairs Notification**

**July 29, 2013**

**From: Paul Dioguardi**

**Director, Office of Intergovernmental and External Affairs**

**U.S. Department of Health and Human Services**

RE: Donut Hole and Preventive service utilization numbers

On the eve of the 48<sup>th</sup> anniversary of the signing of Medicare and Medicaid into law, new information released today by the Department of Health and Human Services (HHS) shows a strong Medicare program. Over 6.6 million people with Medicare have saved over \$7 billion on prescription drugs as a result of the Affordable Care Act. These savings average \$1,061 per beneficiary in drug costs while a beneficiary is in “donut hole” coverage gap that the law closes over time.

In addition, 16.5 million people with traditional Medicare took advantage of at least one free preventive service in the first six months of 2013.

This news comes on the heels of historically low levels of growth in Medicare spending. From 2010 to 2012, Medicare spending per beneficiary grew at 1.7 percent annually, more slowly than the average rate of growth in the Consumer Price Index, and substantially more slowly than the per capita rate of growth in the economy.

## **Savings on Prescription Drugs**

Because of the Affordable Care Act, out-of-pocket savings on medications for people with Medicare continue to grow. Over 6.6 million people with Medicare have saved over \$7 billion on prescription drugs in the Medicare Part D donut hole since the law was enacted, for an average of \$1,061.

People with Medicare in the donut hole now receive discounts and some coverage when they purchase prescription drugs at a pharmacy or order them through the mail, until they reach the catastrophic coverage phase. The Affordable Care Act gave those who reached the donut hole in 2010 a one-time \$250 check, then began phasing in discounts and coverage for brand-name and generic prescription drugs beginning in 2011. The law will provide additional savings each year until the coverage gap is closed in 2020.

For more information on how the Affordable Care Act closes the donut hole, please visit:

<http://www.medicare.gov/part-d/costs/coverage-gap/part-d-coverage-gap.html>

## **Preventive Services**

By making certain preventive services available with no cost-sharing obligations, the Affordable Care Act is helping Americans take charge of their own health. Americans can now better afford to work with health care professionals to prevent disease, detect problems early when treatment works best, and monitor health conditions.

In Medicare, the Affordable Care Act eliminated coinsurance and the Part B deductible for recommended preventive services, including many cancer screenings and other important benefits. For example, before the law’s passage, a person with Medicare could pay as much as \$160 in cost-sharing for some colorectal cancer screenings. Today, that screening is free.

In the first six months of 2013, 16.5 million people with traditional Medicare took advantage of at least one free preventive service.

Questions or Concerns? Contact [HHSIEA@hhs.gov](mailto:HHSIEA@hhs.gov).

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**As you can see, the Affordable Care Act is working and saving money.  
But some in Congress still want to abolish or cut it’s funding.**

## Union Plus: College Scholarships For Union Members and Their Families

### Union Plus Scholarship Program



Know someone going to college? Are they from a union family?  
Then tell them about the Union Plus Scholarship Program!

Since 1992, the Union Plus Scholarship Program has awarded more than \$3.5 million to students of working families who want to begin or continue their post-secondary education. Over 2,300 families have benefited from our commitment to higher education. The Union Plus Scholarship Program is offered through the Union Plus Education Foundation... [Find out More](#)

## PBN: Women & Infants Nurses Distribute Leaflets to Protest Staffing Issues

Nurses at Women & Infants Hospital distributed leaflets on Wednesday afternoon to draw attention to what they claimed was a declining standard of care at the hospital, according to a news release sent by Patrick Quinn, executive vice president of Local 1199-NE of the Service Employees International Union.

At issue was the current staffing for nurses and patient care staff, according to the news release. Nurses and other staff who are union members conducted a vote last week to express “no confidence” in the hospital’s chief nursing officer, criticizing what they claimed was the hospital’s failure to staff units adequately and the hospital bringing in temporary nurses at higher costs, said the news release... [Read More](#)



## PBS' Frontline: A Cautionary Tale on Assisted Living



Dr. **Keren Brown Wilson** opened the nation’s first licensed assisted living facility in Canby, Ore., in 1981. Wilson was inspired by tragedy: A massive stroke had paralyzed her mother at the age of 55, forcing her into a nursing home, where she was miserable, spending the bulk of her days confined to a hospital bed. Wilson aimed to create an alternative to nursing homes. She envisioned comfortable, apartment building-style facilities that would allow sick and fragile seniors to maintain as much personal autonomy as possible, and assisted living was born.

The PBS television show *Frontline* focused on assisted living facilities this week – often with a critical eye. As more older Americans choose to spend their later years in assisted living facilities, *FRONTLINE* and ProPublica examined “whether this loosely regulated, multi-billion dollar industry is putting seniors at risk.” The film, “Life and Death in Assisted Living,” began airing on PBS Tuesday night. The programming noted, for instance, that the “dearth of hard and fast rules gives executives and managers at assisted living companies wide latitude in deciding how many workers should be clocking in on a given shift,” sometimes leading to staffing shortages.

“There are many wonderful assisted living facilities out there,” said **Ruben Burks**, Secretary-Treasurer of the Alliance. “It is important to investigate the background and reputation of the facility you are choosing, and to stay in close touch with loved ones once they enter assisted living.”

You can download the full written series as an e-book or watch the film at... [Click Here](#)

## HHS wants hospital observations credited toward Medicare nursing home coverage

### Seniors kept for observation varies by hospital;

### Medicare doesn't pay for expensive follow-up nursing home care for observation patients

By Susan Jaffe, KHN

Aug. 1, 2013 - Medicare patients' chances of being admitted to the hospital or kept for observation depend on what hospital they go to - even when their symptoms are the same, notes a federal watchdog agency in a report released Tuesday, which also urges Medicare officials to count those observation visits toward the three-inpatient-day minimum required for nursing home coverage.

[Read more...](#)

