Lower Costs, Better Care for Georgians

There is an urgent need to lower health costs, expand coverage, and reduce racial health disparities across Georgia. That is why it is essential to ensure critical health care measures supported by President Biden remain in upcoming budget reconciliation legislation, specifically empowering Medicare to negotiate for lower drug prices for all Americans, creating a federal solution to close the Medicaid coverage gap, expanding Medicare benefits to include dental, vision, and hearing, and making the premium reductions included in the American Rescue Plan permanent, so Georgians can continue to access low-cost coverage.

Americans support bold action to lower health costs and curb soaring drug prices, with <u>88 percent</u> in favor of allowing Medicare to negotiate with pharmaceutical corporations to lower prices. President Biden is committed to tackling these issues head on, demonstrated by his commitment to expanding health coverage through <u>enhanced subsidies</u>, closing the <u>Medicaid coverage gap</u>, and <u>support</u> for Medicare drug price negotiation.

Georgians depend on affordable health care, expanded access to coverage, and drug pricing reform to live healthy lives. Empowering the federal government to negotiate prescription drug prices would save Americans more than <u>\$150 billion</u> at the pharmacy counter and create an additional <u>\$500 billion</u> in savings for the federal government that could be reinvested to <u>reduce premiums</u>, <u>expand Medicare benefits</u> to include dental, vision, and hearing, and close the Medicaid coverage gap in the 12 states that have <u>refused to accept expansion</u>. We must act now.

The American Rescue Plan Has Helped 517,113 Georgians Access Affordable Care

- **Strong Marketplace Enrollment.** Over <u>500,000</u> Georgia residents have signed up for coverage through the Marketplace in 2021.
- Increasing Health Coverage Access For Thousands of Georgians. The American Rescue Plan has reduced or eliminated Marketplace premiums for thousands in Georgia. Under the plan, <u>127,100</u> uninsured Georgians are newly eligible for health coverage tax credits and 134,900 individuals have access to coverage with zero dollar premiums.
- **Meaningful Savings On Premiums.** Premium savings under the American Rescue Plan benefit all Americans. For example, a 60-year-old couple with an annual income of \$75,000 will see their monthly premiums drop from \$1,941, to just \$531, saving more than <u>\$1,410</u> each month.
- Improving Maternal Health Access. For new mothers, the American Rescue Plan has created a
 pathway to coverage, providing states the opportunity to extend postpartum coverage under Medicaid
 from 60 days to 12 months following birth. Georgia took a step by increasing postpartum coverage to
 six months for women below 220 percent of the federal poverty level. In 2019, 65,253, or <u>56 percent</u>, of
 Georgia births were covered by Medicaid.

Lowering Prescription Drug Costs

- **Drug Price Hikes Are Outpacing Inflation.** In 2019, American prescription drug spending soared to <u>\$369.7 billion</u>, an increase of 5.7 percent, more than <u>three times</u> the inflation rate for the same period.
- One Quarter Of Americans Struggle To Access Essential Medications. <u>Nearly one in four</u> Americans taking prescription drugs struggles to afford needed medications, with 29 percent reporting not taking medications as instructed within the past year due to cost.
- **Drug Price Negotiation Would Save Billions.** The single most effective measure to bring down drug costs is to empower Medicare to negotiate prescription drug prices. Negotiation would save patients more than <u>\$150 billion</u> and create <u>\$500 billion</u> in savings for the federal government.

- Reinvestment Of Savings. When the federal government saves on drug costs, those funds become available to <u>reduce premiums</u>, <u>expand Medicare benefits</u> to include dental, vision, and hearing, and close the <u>Medicaid coverage gap</u> in the 12 states that have <u>refused to accept expansion</u>.
- **Medicare Drug Price Negotiation Is Overwhelming Popular.** <u>Nearly nine in ten</u> Americans support empowering Medicare to negotiate prescription drug prices.

Drug Prices In Georgia

- In 2019, Georgians spent <u>nearly \$333 million</u> in cash on prescription drugs.
- In 2017, <u>32 percent</u> of Georgia residents reported that they stopped taking a medication as
 prescribed due to cost.
- The annual average cost of prescription drug treatment in Georgia rose nearly <u>58 percent</u> between 2012 and 2017, adding as much as \$1,000 to the cost of some brand-name medications. According to data from <u>NiceRx</u> Georgia has one of the highest average out-of-pocket costs for prescription drugs in the country, with an average per capita expense of \$195 a year.
- <u>Millions</u> of Georgians have chronic conditions like cancer, diabetes, and asthma that require prescription drugs for treatment and management.
- Georgians overwhelmingly support allowing Medicare to negotiate better drug prices. A 2020 AARP
 poll found more than <u>90 percent</u> of Georgia voters over age 50 support allowing Medicare to
 negotiate directly with drug companies for lower prices.

Medicaid Expansion And Closing The Coverage Gap

646,000 Georgians Could Gain Coverage If The State Expanded Medicaid. Pre-pandemic estimates from the Urban Institute found that <u>646,000</u> Georgians would enroll in Medicaid if the state adopted expansion, including <u>275,000</u> living in the Medicaid coverage gap. Currently, a family of three cannot have an annual income exceeding <u>\$7,686</u>, or 35 percent of the federal poverty line, in order to qualify for Medicaid. Adults without children, regardless of income, do not qualify.

Medicaid Expansion Would Create An Estimated 56,000 Jobs Annually. According to the Georgia Budget & Policy Institute, expanding Medicaid could create <u>56,000</u> jobs in Georgia each year, including 12,000 jobs in rural communities. Additionally, adopting expansion would increase the state's economic output by <u>\$6.5 billion</u> <u>annually</u>.

Medicaid Expansion Saves Lives. Between 2014 and 2017, Georgia's rejection of Medicaid expansion cost an estimated <u>1.336</u> lives among older adults aged 55 to 64. Medicaid expansion has been proven to reduce mortality, decrease racial disparities in health coverage, and increase overall health outcomes. A 2019 study found that over <u>15,000</u> Americans died prematurely between 2014 and 2017 in states that refused Medicaid expansion. At the same time, states that expanded Medicaid saved 19,000 lives.

Expanding Coverage

- Millions Nationwide Would Gain Stable Coverage. <u>4.2 million</u> uninsured people would gain coverage if the American Rescue Plan's subsidies are made permanent, and millions more would continue to save on health care costs.
- **Permanent Health Coverage Subsidies Would Benefit Older Georgians.** More than 500,000 Georgian's selected a plan on the Marketplace in 2021, with older adults between <u>55 and 64</u> making up nearly a quarter of enrollees. The American Rescue Plan offers <u>significant relief</u> for older individuals, including those at 400 percent of the federal poverty level.

Expanding Medicare Benefits

- More Than One Million Georgians Would Benefit From Expanded Coverage. Nearly <u>38 million</u> traditional Medicare enrollees would gain dental, vision, and hearing coverage if Medicare benefits were expanded. Due to lack of coverage, <u>nearly half</u> of Medicare beneficiaries did not seek dental care in the past year.
- Medicare Beneficiaries Are 16 Percent Of Georgia's Residents. In 2018, nearly <u>one in six</u> Georgians were Medicare beneficiaries. Recent reports have found between <u>47</u> and <u>64</u> percent of Medicare beneficiaries do not have dental coverage, <u>74 percent</u> lack vision coverage, and <u>76 percent</u> go without hearing coverage.
- Income And Racial Inequity Increase Health Disparities. Half of all Medicare beneficiaries live on annual incomes below <u>\$29,650</u>, pushing dental, vision, and hearing coverage out of reach. For <u>beneficiaries of color</u> or those living in <u>rural</u> areas, accessing these essential benefits has become increasingly challenging.

Senators Raphel Warnock And Jon Ossoff Are Fighting For Georgians' Care

Senators Warnock And Ossoff Have Championed A Federal Solution To Close The Medicaid Coverage Gap. Senator Warnock and Ossoff introduced legislation creating a federal solution to expand Medicaid coverage to millions of people stuck in the coverage gap. Warnock highlighted the <u>need for federal action</u>, saying, "Congress must act to ensure hardworking people with low-incomes have access to affordable health care, and I'm going to keep pushing the Senate hard to include my legislation to close the coverage gap and provide affordable health care to millions of Georgians and Americans."

Senators Warnock And Ossoff Were Enthusiastic Supporters Of The American Rescue Plan, Providing Relief For Thousands Of Georgia Families. Warnock and Ossoff voted for the American Rescue Plan, historic legislation that includes measures to expand coverage and to dramatically lower health care costs for thousands of Georgia families. In addition to providing critical pandemic relief, the ARP lowers premiums for people purchasing coverage through the marketplaces and expands access to financial assistance for more middle-class families. Ossoff praised the legislation, saying "This is the most significant economic relief package for working- and middle-class families in American history. We will crush COVID-19, recover economically, safely re-open our schools, and get our daily lives back — and we'll do it thanks to Georgia voters."

Senator Warnock Supports Efforts To Allow Medicare To Negotiate Drug Prices. Senator Warnock is a <u>cosponsor</u> of the Empowering Medicare Seniors to Negotiate Drug Prices Act, legislation which would allow for Medicare to negotiate the best possible price of prescription drugs to cut costs.

Representative Lucy McBath Is Standing Up For Georgians' Care

Representative McBath Voted For Historic Legislation To Lower Prescription Drug Prices.

Representative McBath voted for the 2019 Elijah E. Cummings Lower Drug Costs Now Act (<u>H.R. 3</u>), historic legislation to drastically reduce Americans' prescription drug prices by up to 55% and save taxpayers nearly \$500 billion over the next 10 years. H.R. 3 included the most comprehensive drug pricing reform in American history and the largest expansion to Medicare's benefits in decades. McBath <u>praised</u> the bill, saying, "I am so proud to support one of the most comprehensive prescription drug bills to ever come out of the House, a bill that will help lower drug prices for all Americans, save almost half a trillion dollars for American taxpayers, and invest those savings in research to find new, innovative treatments."

Representative McBath Supported Providing Relief For Georgia Families With The American Rescue

Plan. McBath <u>voted for</u> the American Rescue Plan, which includes measures to expand coverage and to dramatically lower health care costs for thousands of families across Georgia. In addition to providing critical pandemic relief, the ARP lowers premiums for people purchasing coverage through the marketplaces and expands access to financial assistance for more middle-class families. McBath <u>praised the law</u>, saying "The American Rescue Plan will deliver life-saving vaccines, invest in our schools so children and teachers can safely return to in-person learning, and provide relief and stimulus checks to those who need them most. This help is vital."

Governor Brian Kemp Is Part Of The Problem

Kemp Opposed The Affordable Care Act And Coverage For Georgians

Governor Kemp Was A Vocal Supporter Of The Lawsuit Seeking To Eliminate The Affordable Care Act. Brian Kemp <u>supported a lawsuit</u> brought by 20 Republican-led states and fully backed by the Trump administration that sought to declare the Affordable Care Act unconstitutional. Kemp's fellow Republican, Georgia Attorney General Chris Carr was part of the group of attorneys general that brought the suit and has <u>boasted that the courts</u> have validated his belief that the entire ACA must be eliminated. If a previous ruling in the case had been upheld and the Affordable Care Act had been eliminated, it would have ended Medicaid expansion and removed more than <u>17 million Americans</u> from the program.

Governor Kemp Refuses To Accept Medicaid Expansion And Save Lives

Governor Kemp Is Rejecting Lifesaving Medicaid Dollars. Under the American Rescue Plan, even after paying for the cost of Medicaid expansion, Georgia could receive an additional <u>\$710 million</u> in federal funding to help offset budget shortfalls as the state recovers from the pandemic, but Governor Kemp has refused every opportunity to expand the program.