

## Lower Costs, Better Care for New Jerseyans

There is an urgent need to lower health costs, expand coverage, and reduce racial health disparities across New Jersey. 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 New Jerseyans can continue to access low-cost coverage.

Americans support bold action to lower health costs and curb soaring drug prices, with [88 percent](#) 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 [enhanced subsidies](#), closing the [Medicaid coverage gap](#), and [support](#) for Medicare drug price negotiation.

New Jerseyans 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 [\\$150 billion](#) at the pharmacy counter and create an additional [\\$500 billion](#) in savings for the federal government that could be reinvested to [reduce premiums](#), [expand Medicare benefits](#) to include dental, vision, and hearing, and close the Medicaid coverage gap in the 12 states that have [refused to accept expansion](#). We must act now.

### The American Rescue Plan Has Helped 269,560 New Jerseyans Access Affordable Care

- **Strong Marketplace Enrollment.** Nearly [270,000](#) New Jersey residents have signed up for coverage through the Marketplace in 2021.
- **Increasing Health Coverage Access For Thousands of New Jerseyans.** The American Rescue Plan has [reduced or eliminated](#) Marketplace premiums for thousands in New Jersey. Under the plan, [100,000](#) uninsured New Jerseyans are newly eligible for health coverage tax credits and 13,800 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 \$1,720, to just \$531, saving more than [\\$1,189](#) 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. New Jersey is taking action and has [passed legislation](#) to seek federal approval for expansion.

### Lowering Prescription Drug Costs

- **Drug Price Hikes Are Outpacing Inflation.** In 2019, American prescription drug spending soared to [\\$369.7 billion](#), an increase of 5.7 percent, more than [three times](#) the inflation rate for the same period.
- **One Quarter Of Americans Struggle To Access Essential Medications.** [Nearly one in four](#) 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 [\\$150 billion](#) and create [\\$500 billion](#) in savings for the federal government.

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

### Drug Prices In New Jersey

- In 2019, New Jerseyans spent [nearly \\$254 million](#) in cash on prescription drugs.
- In 2017, [24 percent](#) of New Jersey residents reported that they stopped taking a medication as prescribed due to cost. A 2020 AARP survey found [59 percent](#) of New Jersey voters are concerned about being able to afford the cost of their prescription drugs.
- [Nearly two million](#) New Jerseyans have chronic conditions like cancer, diabetes, and asthma that require prescription drugs for treatment and management.
- A 2021 Public Policy Polling survey including participants from New Jersey's 5th Congressional District, found [76 percent](#) of respondents support Medicare price negotiation and 86 percent found the cost of prescription drugs too high.

### Expanding Coverage

- **Millions Nationwide Would Gain Stable Coverage.** [4.2 million](#) 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 New Jerseyans.** Nearly 270,000 New Jerseyans selected a plan on the Marketplace in 2021, with older adults between [55 and 64](#) making up 30 percent of enrollees. The American Rescue Plan offers [significant relief](#) for older individuals, including those at 400 percent of the federal poverty level.

### Expanding Medicare Benefits

- **More than 1.1 Million New Jerseyans Would Benefit From Expanded Coverage.** Nearly [38 million](#) traditional Medicare enrollees would gain dental, vision, and hearing coverage if Medicare benefits were expanded. Due to lack of coverage, [nearly half](#) of Medicare beneficiaries did not seek dental care in the past year.
- **Medicare Beneficiaries Are 18 Percent Of New Jersey's Residents.** In 2018, [nearly one in five](#) New Jerseyans were Medicare beneficiaries. Recent reports have found between [47](#) and [64](#) percent of Medicare beneficiaries do not have dental coverage, [74 percent](#) lack vision coverage, and [76 percent](#) go without hearing coverage.
- **Income And Racial Inequity Increase Health Disparities.** Half of all Medicare beneficiaries live on annual incomes below [\\$29,650](#), pushing dental, vision, and hearing coverage out of reach. For [beneficiaries of color](#) or those living in [rural](#) areas, accessing these essential benefits has become increasingly challenging.

### Senators Bob Menendez And Cory Booker Are Fighting For New Jersey Families

**Senators Menendez And Booker Supported Providing Relief For New Jersey Families With The American Rescue Plan.** Both [voted for](#) the American Rescue Plan, historic legislation that includes measures to expand coverage and to dramatically lower health care costs for thousands of New Jersey 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. Menendez [praised the law](#), saying “The American Rescue Plan will put the United States on a path to defeat this virus once and for all and restore opportunity in our economy for hardworking families all across the nation.”

**Senator Booker Supports Efforts To Allow Medicare To Negotiate Drug Prices.** Sen. Booker is a [cosponsor](#) 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. In 2019, Sen. Booker made his [stance on addressing prescription drug prices](#) clear when he stated, “In a country as wealthy as ours, it’s downright shameful that people have to choose between taking their medicine or paying for other basic necessities. Every day, millions of Americans struggle to afford their lifesaving medication while the manufacturers of these drugs profit hand over fist with limited to no oversight. On top of that, many of these drugs were developed through research funding from the federal government. We need systemic change that will meaningfully address the exorbitant, rising cost of prescription drugs and put the focus back on patients, not profits.”

### **Representative Josh Gottheimer Is Standing Up For New Jerseyans’ Care**

**Representative Gottheimer Helped Provide Relief For New Jerseyans.** Gottheimer [voted for](#) the American Rescue Plan, which included measures to expand coverage and to significantly lower health care costs for thousands of families in New Jersey. Additionally, the ARP lowers premiums for people purchasing coverage through the marketplaces and expands access to financial assistance for more middle-class families. Gottheimer [praised the law](#), saying that it will “lower health care costs for our families.”

**Representative Gottheimer Voted For Historic Legislation To Lower Prescription Drug Prices.** Gottheimer voted for the 2019 Elijah E. Cummings Lower Drug Costs Now Act ([H.R. 3](#)), 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.

### **State Senator Loretta Weinberg Is Demanding Accountability From Pharmaceutical Companies**

**State Senator Weinberg Has Put Forth Legislation To Establish A Prescription Drug Affordability Board.** An affordability board would put a check on Big Pharma’s price gouging through the creation of an independent body tasked with evaluating [drug prices](#) and setting limits on how much certain payers would spend for high cost medications. The objective of the board is to ensure New Jerseyans are able to access their needed prescription drugs, by ensuring prices are justifiable and reasonable. [Senator Weinberg](#) said of the proposed legislation, “I believe a Prescription Drug Affordability Board is a critical step toward making these drugs affordable for all who need them.”