Lower Costs, Better Care for Arizonans

There is an urgent need to lower health costs, expand coverage, and reduce racial health disparities across Arizona. 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 Arizonans 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.

Arizonans 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 154,504 Arizonans Access Affordable Care

- **Strong Marketplace Enrollment.** Nearly <u>155,000</u> Arizona residents have signed up for coverage through the Marketplace in 2021.
- Increasing Health Coverage Access For Thousands of Arizonans. The American Rescue Plan has
 reduced or eliminated Marketplace premiums for thousands in Arizona. Under the plan, 89,300
 uninsured Arizonans are newly eligible for health coverage tax credits and 17,700 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 \$1,852, to just \$531, saving more than \$1,321 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 <u>postpartum coverage</u> under Medicaid from 60 days to 12 months following birth.

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 <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 refused to accept expansion.

• 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 Arizona

- In 2019, Arizonans spent over \$156 million in cash on prescription drugs.
- In 2017, <u>26 percent</u> of Arizona residents reported that they stopped taking a medication as prescribed due to cost.
- <u>More than one million</u> Arizonans have chronic conditions like cancer, diabetes, and asthma that require prescription drugs for treatment and management.
- Arizonans overwhelmingly support allowing Medicare to negotiate better drug prices. A 2020 poll
 from AARP found that <u>88 percent</u> of older Arizona voters reported they would be more likely to vote
 for a candidate who supports allowing Medicare to negotiate with drug companies for lower prices.

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 Arizonans. Nearly <u>155,000</u> Arizonans selected a plan on the Marketplace in 2021, with older adults between <u>55 and 64</u> making up more than a third 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 786,000 Arizonans 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 18 Percent Of Arizona's Residents. In 2018, nearly one in five
 Arizonans 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 <u>rural</u> areas, accessing these essential benefits has become increasingly challenging.

Senators Kyrsten Sinema And Mark Kelly Are Standing Up For Arizonans' Care

Senators Sinema And Kelly Were Enthusiastic Supporters Of The American Rescue Plan, Providing Relief For Arizona Families. 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 Arizona 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. Sinema praised the law, saying "We provided crucial support for everyday families, employers, and schools — and budget support for struggling Arizona cities, towns, and tribal communities to retain first responders and essential services."

Senator Kelly Supports Efforts To Allow Medicare To Negotiate Drug Prices. Kelly 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. Kelly <u>praised</u> the bill, stating "The rising cost of prescription drugs has hurt Arizona seniors for far too long...It does not have to be this way. This proposal would lower the rising cost of prescription drugs for Arizona seniors and ensure that they can afford the medication they need."

Representative Tom O'Halleran Is Fighting For Arizonans' Care

Representative O'Halleran Voted For Historic Legislation To Lower Prescription Drug Prices. O'Halleran 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. O'Halleran praised the bill, saying "It is paramount that we protect innovation in drug research and development while allowing and empowering Medicare to negotiate for fair prices. This is not an issue we can afford to delay."

Representative O'Halleran Supported Providing Relief For Arizona Families With The American Rescue Plan. O'Halleran voted for the American Rescue Plan, which in addition to providing critical pandemic relief, lowers premiums for people purchasing coverage through the marketplaces and expands access to financial assistance for more middle-class families. O'Halleran praised the law, calling it "a new, strong legislative package...[that will] deliver meaningful relief to American families, businesses, schools, and health care systems...now is not the time to pump the brakes."