

# PROTECT OUR CARE

## The Inflation Reduction Act: Lower Costs, Better Care for Americans

President Biden and Democratic lawmakers have delivered the most expansive health care reform since the Affordable Care Act. Thanks to the Inflation Reduction Act, health care and drug costs will be lower for millions of Americans. The Inflation Reduction Act will put money back into the pockets of American families and seniors, work to reduce the racial and economic disparities prevalent within the health care system, fight for those within the disabled community for better, more affordable, care, and all while providing better access to health care than ever before.

Americans overwhelmingly support the bold actions taken by Congress to lower costs and provide better care, with [71 percent](#) in favor of allowing Medicare to negotiate drug prices and [64 percent](#) endorsing expanded subsidies for middle-income Americans getting health insurance on the ACA marketplaces. Help is on the way! Beginning in 2023, families will see their drug prices fall due to the IRA, more Americans will have access to vital life saving vaccines with no cost-sharing, and more people will have access to health care than ever before.

Today, Americans pay [two to three times](#) what people in other countries pay for prescription drugs, and many of the same prescriptions sold in the United States are sold for [significantly less](#) in comparable nations. Americans depend on quality and affordable health care to live healthy fulfilled lives, and the Inflation Reduction Act takes a huge step in lowering these costs. Over [7 million](#) Americans each year alone will now see their prescription costs reduced through Medicare's new negotiating power. Even when faced with a united opposition from Big Pharma and Congressional Republicans, Joe Biden and Democratic lawmakers delivered for America.

### Cutting Prescription Drug Costs

- **Protecting Seniors From Prescription Drug Hikes.** Under the Inflation Reduction Act, companies whose drug prices increase faster than that of the inflation rate will have to pay Medicare a rebate. This will not only save the government billions of dollars, but will drastically reduce out-of-pocket costs for Medicare beneficiaries. Protecting seniors from these drug hikes will also work to reduce the racial inequities in our health system, as currently Black Medicare beneficiaries are [1.5 times](#) as likely than White Medicare beneficiaries to struggle paying for medications.
- **Saving American Families From High Insulin Costs.** The [outrageous prices](#) of insulin, a drug vital for the survival of [3,429,000](#) Medicare beneficiaries, have forced [80 percent](#) of Americans with diabetes to take out debt in order to pay for their prescriptions and over [13 percent](#) to skip doses entirely due to high costs. The Inflation Reduction Act will fight this travesty by capping insulin prices at no more than \$35 for all Medicare beneficiaries and saving them [up to](#) \$1,500 annually.
- **Medicare Negotiations Will Drastically Reduce Prescription Prices.** Billions of dollars annually are estimated to be saved with Medicare now having the power to negotiate prescription drug costs. These savings will be seen in not just the federal government but the out-of-pocket medical expenses paid by millions of American families.

- **Out-of-Pocket Costs Will Be Capped at \$2,000 for All Medicare Part D Recipients.** Millions of people in Medicare still [struggle to pay](#) for life-saving prescriptions or treatments, with Black Medicare beneficiaries being nearly [twice as likely](#) than White Medicare beneficiaries to stop taking a prescription due to cost. On top of this, those with conditions such as cancer can face thousands in out-of-pocket costs annually even with Medicare assistance. The Inflation Reduction Act dramatically changes this reality for millions of Americans. Under this new law, Part D plans will be required to offer improved financial protections and cap annual out-of-pocket spending to \$2,000. This will provide the over [46.6 million](#) Americans with Medicare Part D more reassurance and financial stability knowing these prices are capped.

#### **Drug Prices in The United States**

- Americans spend over [\\$407 billion](#) on prescription drugs annually.
- Over [122 million](#) Americans struggle to afford health care in 2022.
- Around [25 percent](#) of Americans have stopped or skipped taking a medication due to cost and [80 percent](#) are concerned about getting access to care.
- Polls show that [80 percent](#) of Americans support the historic actions, like negotiating drug prices for Medicare, being implemented by the Inflation Reduction Act

#### **Expanding Access and Increasing Coverage**

- **Many Vaccines Will Now be Free for Medicare Part D Recipients.** Before the Inflation Reduction Act patients who received Part D vaccines, such as the shingles vaccine, were subject to cost-sharing programs, which required an out-of-pocket copay. Over [4,108,000](#) Americans took part in these programs and received a Part D vaccine in 2020 alone. Vaccination programs are a racial equity issue as well, with White Americans nearly [twice](#) as likely to have received the shingles vaccine than Black Americans. Much of this disparity is due to cost and lack of access to health care, an issue the IRA is working to fix on multiple fronts. Under this new law, cost-sharing for all Part D vaccines will end and patients will no longer be subject to paying anything out-of-pocket.
- **The Uninsured Rate is at an All-Time Low.** Thanks in large part to the Biden administration's American Rescue Plan, uninsured rates of Americans have fallen to some of the [lowest in history](#). President Joe Biden and Democratic lawmakers have committed to the task of continuing this downward trend by increasing all Americans' access to quality and affordable health care. According to HHS reports, an [estimated 2,954,000](#) more Americans, including nearly [half a million](#) Black Americans, will have access to health insurance next year compared to without the Inflation Reduction Act.
- **Full Part D Low-Income Subsidies Will Be Available to Even More Americans.** Currently, individuals with an income between 135 percent and 150 percent of the poverty level only receive partial assistance with their medical expenses through Medicare Part D. Under the Inflation Reduction Act, Democrats have increased the range of full subsidized assistance to individuals with incomes up to 150% above the poverty level. This will allow for [417,000](#) more Americans to have access to full Medicare Part D assistance, helping them afford countless life saving medications.

## **Lowering Insurance Premiums**

- **Rural Americans Will See Continuing Relief From High Premiums.** Thanks to provisions in the Inflation Reduction Act, roughly [65 percent](#) of rural Americans now have access to zero dollar premium health coverage and more than [76 percent](#) are able to find a plan for less than \$50 a month, narrowing the coverage differences significantly between rural and urban America. With [14 percent](#) of the population residing in what is considered rural areas, this policy will positively affect the lives of hundreds of thousands of Americans.
- **Addressing Racial Disparities in Health and Increasing Health Care Access.** The premium savings continued through the Inflation Reduction Act have made more than [65 percent](#) of uninsured Black adults and more than [68 percent](#) of uninsured Hispanic and Latino adults eligible for zero dollar premium plans. Nearly [80 percent](#) of uninsured Hispanic and Latino adults and [75 percent](#) of uninsured Black adults can now also access plans for less than \$50 a month. The Center on Budget Policy and Priorities estimates the continuation of these increased savings will cause a sharp decline in the uninsured rate across every racial group, with a projected [one in three](#) uninsured Black adults gaining coverage.