

NEW REPORT: Michiganders Get Lower Health Care Costs Thanks to President Biden and Democrats in Congress

Last year, the Biden administration signed the Inflation Reduction Act into law, which drives down health care costs for families across Michigan. Between lowering premium costs by [151 percent](#) on average, capping insulin costs, and stopping Big Pharma's egregious price hikes, the new legislation is already working for the American people. Soon, seniors' drug costs will be capped at \$2,000 annually, and Medicare will finally be able to negotiate lower drug prices — no thanks to Republican lawmakers who unanimously voted to maintain the status quo and keep health care costs high.

Democrats are working tirelessly to rein in Big Pharma's greed and stop seniors from getting ripped off. This summer, the Biden administration is implementing the Inflation Reduction Act and also taking [action](#) to eliminate surprise medical bills and limit junk insurance plans that do not need to cover people with pre-existing conditions like asthma, cancer, and diabetes.

Meanwhile, Republicans in Congress are [ramping up](#) their war on health care. After spending more than \$100 million to kill the Inflation Reduction Act, Big Pharma and their Republican allies are hard at work sabotaging this monumental progress in order to put profits over people. Right now, big drug companies are suing in court to try to take away Medicare's power to negotiate, and Republican lawmakers have introduced legislation to repeal all of the Inflation Reduction Act drug pricing measures. Republican lawmakers are also considering legislation to slash vital health care programs and recently passed [a bill](#) to promote junk plans that can discriminate against people with pre-existing conditions.

BY THE NUMBERS:

- 672,860 **Michiganders** will save an average \$356.00 thanks to the Inflation Reduction Act's \$2,000 annual out-of-pocket cost cap, effective in 2025. Last year, 1,435,443 **Michiganders** spent an average of **\$419** out-of-pocket on prescription drugs.
- [66.726](#) **Michiganders** on Medicare who use insulin are now charged no more than \$35 per month for an insulin prescription.
- [248.623](#) **Michiganders** are saving an average of [\\$392](#) on monthly health insurance premiums.
- [1,756,609](#) of **Michigan's** seniors are able to receive the shingles vaccination and other recommended vaccinations free of cost.
- [3,073,696](#) of **Michigan's** Medicaid beneficiaries will have access to expanded vaccine coverage.
- 19 million people with Medicare will save an [average of \\$400](#) thanks to the Inflation Reduction Act's \$2,000 annual cost caps alone.

THE DETAILS:

Health Insurance Premiums Lowered For Nearly 250,000 Michiganders. A record breaking 322,273 Michiganders enrolled in an ACA marketplace plan in 2023. Right now, 248,623, or 77 percent with an ACA plan, are [receiving](#) enhanced premium tax credits, making their coverage affordable and accessible. The Inflation Reduction Act [saves](#) an average middle class family of four in Michigan \$2,845 on their yearly premiums.

- **Coverage for Communities of Color Expanded To Address Health Care Equity.** The Center on Budget Policy and Priorities estimates the increased savings continued under the Inflation Reduction Act will cause a sharp decline in the uninsured rate across every racial group. The extended premium savings provided in the Inflation Reduction Act have made more than [65 percent](#) of uninsured Black adults eligible for zero dollar premium plans and [75 percent](#) eligible for plans less than \$50 a month. For uninsured Hispanic and Latino adults, now more than [68 percent](#) are eligible for zero dollar premium plans and nearly [80 percent](#) can access plans for less than \$50 a month. Health coverage access is imperative to reducing racial disparities in health coverage across the nation.
- **Premiums For Low-Wage Workers Eliminated.** The Inflation Reduction Act ensures no Michiganders with incomes at or below [150 percent](#) of the federal poverty level buying their coverage on the Marketplace pay a premium.
- **Costs For Rural America Cut.** Thanks to the provisions in the Inflation Reduction Act, roughly [65 percent](#) of rural Americans 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 between rural and urban America.

The Inflation Reduction Act Will Save Senior Michiganders On Medicare Over \$300 On Prescription Drugs. The Biden Administration's Inflation Reduction Act will save Michiganders an average of \$356.00 thanks to the \$2,000 annual cost cap, which begins in 2025. And to help seniors with the highest drug costs starting in 2024, 541,020 **Michiganders** will save an average of \$208.35 because they will no longer have to pay a 5% coinsurance when they reach the catastrophic phase of the Part D benefit. The Inflation Reduction Act also now caps monthly insulin costs at \$35 for Medicare beneficiaries, which will help 66,726 Michiganders who rely on insulin. Right now, the Biden Administration is implementing the Medicare drug price negotiation program that is [supported](#) by over 80 percent of Americans. This fall, the first 10 drugs that will be negotiated will be announced.

Over 1.5 Million Michiganders Can Receive Free Shingles Vaccinations, Thanks To The Inflation Reduction Act. Thanks to the Inflation Reduction Act, 1,756,609 of Michigan seniors are eligible for no-cost shingles vaccinations. In 2020, nearly 4 million Medicare beneficiaries received the two-part shingles vaccination. With a single shot of Shingrix costing [\\$212](#), seniors on Medicare Part D are saving over \$400 on average on vaccinations in 2023. The high out-of-pocket cost of the shingles vaccine has been a key factor in low vaccination rates, especially among Black and Latino communities. This extends an important affordable

preventive service to seniors on Medicare; Americans with private insurance can typically receive shingles vaccinations at no cost.

Better Coverage of Vaccinations For Medicaid Recipients Benefit Over 3 Million

Michiganders. The Inflation Reduction Act also [requires](#) state Medicaid and CHIP programs to cover vaccines recommended by the CDC's Advisory Committee on Immunization Practices without out-of-pocket costs. This will allow an [estimated 4 million](#) adults to gain access to no-cost shingles vaccines, including 3,073,696 Michiganders. More accessible vaccinations will particularly help [low-income](#) families who rely on Medicaid, many of whom are people of color and people with disabilities.

The Biden Administration Protects Michiganders With Pre-Existing Conditions. President Biden [announced](#) executive actions to protect Americans with pre-existing conditions from junk insurance plans and surprise medical billing. Republicans in Congress are continuing to help insurance companies and the wealthy by passing legislation to change the rules in favor of Association Health Plans that [undermine](#) the Affordable Care Act (ACA). AHPs are not required to have the same protections that ACA plans have. Savings in AHPs come at the expense of people with pre-existing conditions and higher health care costs.