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Congress Should Cap Out-of-Pocket Costs For Medicare Part D Prescription Drugs, According to Survey By The Senior Citizens League

(Washington, DC) – Seventy-eight percent of retirees think Congress should cap what Medicare beneficiaries must spend out-of-pocket on prescription drugs, according to new survey by The Senior Citizens League (TSCL). Unlike other types of insurance, Medicare Part D has no annual out-of-pocket maximum. This leaves the sickest retirees spending hundreds, or even thousands, of dollars in pharmacy costs for prescription medications every year.

Capping the Part D out-of-pocket spending requirement is a key provision of the bi-partisan Senate drug bill, “Prescription Drug Pricing Reduction Act of 2019” (S.2543). “Several of the provisions of this bill appear to have broad support with Medicare beneficiaries,” notes Mary Johnson, a Medicare and Social Security policy analyst for The Senior Citizens League. The new survey found widespread support among survey participants for capping Medicare Part D out-of-pocket requirements at no more than \$250 per month (\$3,000) per year. About 36 percent of survey participants reported spending up to \$250 per month on prescriptions in 2019, and another 21 percent spent more than that.

The bill would limit price increases in drugs covered by Medicare Part D plans to the rate of inflation or drug makers would be forced to pay a penalty in the form of a rebate. “Since Social Security benefits only grow at the rate of inflation, it would help level the playing field if the cost of prescription medications were required to be adjusted in like fashion,” Johnson notes. Research on typical retiree costs conducted by Johnson has found that from 2000 to 2019, annual cost – of – living adjustments (COLAs) increased Social Security benefits by 50 percent but spending on prescription drugs grew five times faster — 253 percent — over the same period.

Reducing prescription drug prices is a top issue for older voters. Seventy – two percent of survey participants support a proposal to tie Medicare Part D drugs prices to those paid in other industrialized nations, through the use of an “international drug

pricing index” — an approach similar to prescription drug legislation passed by the House (H.R. 3).

The Senior Citizens League encourages older Americans to contact their Senators now to ask for their support in passing this legislation. To learn more, visit www.SeniorsLeague.org.

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With 1.2 million supporters, The Senior Citizens League is one of the nation's largest nonpartisan seniors' groups. Its mission is to promote and assist members and supporters, to educate and alert senior citizens about their rights and freedoms as U.S. Citizens, and to protect and defend the benefits senior citizens have earned and paid for. The Senior Citizens League is a proud affiliate of The Retired Enlisted Association. Visit www.SeniorsLeague.org for more information.