

AFSCME

Retirees Bulletin

117TH Legislative Victories for AFSCME Retirees

For nearly six decades Medicare has given peace of mind to seniors because they know they can see a doctor, go to the hospital, and get the health care they need when they need it. Thanks to the activism of AFSCME retirees, the 117th Congress (2021-2022) passed long-needed improvements to Medicare and important health coverage for seniors. Here are highlights of those changes.

NEW MEDICARE BENEFITS

President Biden signed the Consolidated Appropriations Act (CAA) for 2023 into law ([Public Law 117-328](#)) at the end of December. This law creates new and improved Medicare benefits, including:

- **Lymphedema Compression Treatment** Starting in 2024, Medicare Part B will cover and pay for compression garments that treat [lymphedema](#), which is a swelling in the arms, legs, or other parts of the body. This swelling can occur after people undergo cancer treatments that involves the removal or radiation damage to lymph nodes. No cure for lymphedema presently exists. The incidence of lymphedema among women who develop breast cancer is about 15-20%.
- **Access to Marriage and Family Therapists and Mental Health Counselors.** The behavioral health needs of older adults—those ages 65 and older—often go untreated and underdiagnosed. Starting in January 2024, Marriage and Family Therapists (MFTs) and mental health counselors (MHCs) will be qualified behavioral health providers covered by Medicare and able to treat beneficiaries.

The Inflation Reduction Act of 2022 Helps Lower Health Care and Prescription Drug Costs

Thanks to the efforts of AFSCME retirees, Congress passed the Inflation Reduction Act of 2022 (IRA), and President Biden signed it into law. Starting in 2023, this new law will dramatically lower health care and prescription drug costs for retirees and by 2025 will cap the out-of-pocket costs for prescriptions to \$2,000 a year.

- **Medicare Beneficiaries Will Pay No Cost (\$0) for Vaccinations.** Retirees on Medicare now have NO out-of-pocket costs for vaccines. While Medicare Part B covers vaccines such as the flu vaccine at no cost-sharing, patients receiving vaccines covered under Medicare Part D, such as the vaccine for shingles, must pay for a part of the cost out of pocket. Even with a coupon, the price for the Shingrix shingles vaccine ranges from \$155 to \$191. Now Medicare beneficiaries will have \$0 cost-sharing for vaccines for Medicare Part D beneficiaries.
- **Medicare Beneficiaries Will Have a \$35 Monthly Limit on Out-of-Pocket Costs for Insulin.** Drug manufacturers have raised insulin prices so rapidly over the last few decades that some Medicare beneficiaries struggle to afford this life-saving drug that costs less than

(over)

\$10 a vial to manufacture. Beneficiaries who need insulin can feel relieved, thanks to the IRA.

- **Capping Medicare Part D Out-of-Pocket Costs.** Beginning in 2025, all people with Medicare Part D coverage will have their out-of-pocket prescription drug costs limited to \$2,000 per year. This cap will allow people to choose to spread their out-of-pocket costs throughout the year. In 2024, cost-sharing will be eliminated in the Part D catastrophic phase, effectively capping out-of-pocket costs at the catastrophic threshold. These out-of-pocket limits will greatly help people with chronic conditions who face high drug costs and older adults living on fixed incomes by providing more predictability and protection from catastrophic costs.
- **Limiting Part D Premium Growth.** For plan years 2024 - 2029, annual premium growth for Part D coverage will be limited to 6%.
- **Changing the Rules of How Drug Prices are Decided.** The IRA changes the relationship between Medicare and prescription drug corporations when it comes to deciding drug prices. Up until now, prescription drug corporations have been price setters. Previously, the law explicitly barred Medicare itself from negotiating with prescription drug companies. Now for the first time since the Part D program was set up, the Medicare program will be required to negotiate the prices of certain high-cost prescription drugs covered under either Part D or Part B. Though negotiated prices will be phased in, the requirement will save beneficiaries, the Medicare program itself and have ripple effects for consumers across the health system. This is a historic and game changing victory for AFSCME.

In addition, the IRA will penalize drug companies for increasing prices faster than inflation. This means seniors who sometimes had to choose between medication and food will now have more options as the cost of out-of-pocket medications will be lower.

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