Community and Legislative Partners in Aging November 12, 2019

Topic: Prescription Drugs: Available Cost Savings Programs; State and Federal Efforts addressing the Cost of Prescription Drugs

Presenters: Dana Marie Kennedy, Director AARP AZ; Steve Jennings, Associate Director AARP AZ; Bill Cave, Area Agency on Aging-Phoenix Benefits Assistance Program.

This was a fast-paced discussion of current prescription drug related legislation moving through state and federal congresses as well as prescription drug savings programs.

AARP’s Marie Kennedy discussed US House of Representatives bill HR. 3, which

- establishes a fair price negotiation program,
- protects the Medicare program from excessive price increases and
- establishes an out-of-pocket maximum for Medicare Part D enrollees.

This bill is related to the House Democrats’ plan to lower drug prices by allowing federal government to negotiate the price of up to 250 drugs under Medicare and extend that price to the commercial market. If signed into law, this bill would enact a price cap for U.S. drugs based on an index of prices in six foreign countries.

The US Senate is also working on prescription drug cap bills, S. 1497, Health Care Price Check Act of 2019 and S. 977 Transparent Drug Pricing Act of 2019. Also, in December of 2019 President Trump, along with the U.S. Department of Health and Human Services and the U.S. Food and Drug Administration,
issued a notice of proposed rulemaking (NPRM) that, if finalized, would allow for the importation of certain prescription drugs from Canada.

AARP Associate Director Steve Jennings reminded the group that there is no one solution that will make prescription drugs more affordable and that our advocacy is necessary to push ideas such as

- bulk purchasing of drugs,
- drug affordability commissions,
- price increase transparency and
- caps on out of pocket cost for prescription drugs

through the federal and state legislative processes.

Area Agency on Aging Representative Bill Cave provided information about various federal and state programs offering reduced prescriptions such as the State Health Insurance Program (SHIP) and the Senior Medicare Fraud Patrol. He further discussed:

- the federally funded Low Income Subsidy (LIS) which allows eligible beneficiaries, with limited income, to qualify for a government program that helps pay for Medicare Part D monthly premiums, annual deductibles, coinsurance and copayments.
- the federally funded and state administered Medicare Savings Programs (MSP), which also assists those with a limited income and resources pay for their Medicare premiums, deductibles, copayment and co-insurance. He also talked
- the Blue Cross Blue Shield AZ member savings programs to reduce discounts for certain medications related to chronic conditions.
Lastly, Bill stated that there is legislation in the Arizona House to streamline the search for and application to these assistance programs.