

Sen. Patty Murray reports progress on drug prices in Vancouver visit Subscriber Exclusive

Medicare reform is part of Inflation Reduction Act

By [Lauren Ellenbecker](#), Columbian staff writer

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Mike Reardon, executive director of Area Agency on Aging and Disabilities of Southwest Washington, left, welcomes U.S. Sen. Patty Murray before giving her a tour of the facility Wednesday morning. Sen. Murray spoke with local leaders and health care advocates about how the Inflation Reduction Act will allow Medicare to negotiate lower prescription drug costs. (Amanda Cowan/The Columbian) [Photo Gallery](#)

It's hard to estimate how much Lisa Bayautet spent out-of-pocket for a year's worth of medication to treat her psoriatic arthritis.

Among the dozens of bottles and small boxes stored in her backpack, Bayautet can point out a few that cost thousands of dollars each. Adding up the total cost of her personal pharmacy would be an arduous feat. Bayautet, a Medicare beneficiary, had to navigate multiple suppliers to find the cheapest option for her prescriptions.

"There's a whole bunch of games, (and) you have to pick the right part," she said. "I picked the wrong one."

Bayautet's experience reflects a stark reality: [Americans spend more money on health care than any other industrialized country](#), according to the Kaiser Family Foundation. But there is change underway that can benefit people like Bayautet who depend on costly medication, particularly seniors.

U.S. Sen. Patty Murray, D-Wash., joined Medicare beneficiaries and the Area Agency on Aging and Disabilities of Southwest Washington on Wednesday to touch on Medicare reform within the [recently passed Inflation Reduction Act](#).

"It has been a long, drawn-out battle, and this time we made progress," Murray said during the roundtable discussion.

Among its many provisions, the legislation approved Tuesday establishes more mobility for Medicare, the senior-oriented health care program, to advocate for its receivers.

Mike Reardon, executive director of the Area Agency on Aging and Disabilities of Southwest Washington, said more than 100,000 people in Southwest Washington will benefit from the reform.

In March, there were [more than 1.4 million people covered by Medicare in Washington](#), or about 18 percent of the state's population. Those who qualify aren't only seniors; younger people with disabilities are also eligible.

The bill creates a \$2,000 threshold for annual out-of-pocket spending for prescription drugs and will allow Medicare to negotiate prices for brand-name drugs that don't have generic equivalents, Murray said. This curtails current policies that allow for unlimited out-of-pocket spending and reduces the major chunk of spending Medicare pays toward name-brand drugs.

Seniors who use insulin will have to pay only \$35 a month because of the bill.

If medication prices increase faster than inflation, drug makers must offer rebates, according to the bill.

Put simply, Medicare beneficiaries will save a lot of money because of the new law. And they are already gleeful with this prospect.

"Your job is to do two things: One is to make our lives better, and the other is to keep your promise. With this Inflation Reduction Act, you've done both," Bridgette Fahnbulleh, former Vancouver NAACP president, told Murray.

Fahnbulleh, who retired this year and signed up for Medicare, was shocked to see her prescription costs double and her co-pays triple. Fortunately, she has a pension and Social Security to draw from, but Fahnbulleh noted that some people don't have those options.

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Beginning in 2024, income limits to qualify for Medicare's Low Income Subsidy will increase from 135 percent to 150 percent of the federal poverty level, expanding access for low-income beneficiaries. And it will help reduce health disparities in marginalized groups.

Pat Cano, a senior member of the League of United Latin American Citizens and advisory council member for the local Area Agency on Aging and Disabilities, said Latino Medicare beneficiaries are struggling to pay for medication at a disproportional rate compared to white recipients.



Extended rollout

Although health care workers and advocates are thrilled about Medicare reform, it will take a few years to fully take effect.

Vaccines will be free next year, and out-of-pocket limits will be enacted starting in 2025. Until then, the bill eliminates cost-sharing above the annual out-of-pocket cap beginning in 2024, which is \$7,050 this year.

In 2026, Medicare can begin negotiating drug prices. During the first year negotiations will be permitted, Medicare will review 10 drugs; it will expand the list to 20 drugs by 2029.

“I see this as a step in the right direction and a building block that we can gain some ground on,” Reardon said. “I’m a firm believer that health care should be a right and not a privilege, so what we can do to get affordable health care ... I think is a wonderful endeavor.”

“Those growing older in Clark County should not have to make the impossible choices between buying medication, being able to eat healthy foods and important stable housing,” said Cass Freeland, chair of the Clark County Commission on Aging.

Murray — who chairs the Senate Health, Education, Labor and Pensions Committee — nodded to other federal initiatives to improve health care, including [a Food and Drug Administration reform package](#). The bill would reauthorize user-fee programs for prescription and generic drugs, medical devices and other products, as well as improve oversight of these products.

“We’ve made the first huge step, and it’s going to make a real difference,” she said. “There is more work to do.”