



# MONDAY ALERT

New York State Alliance *for* Retired Americans

800 Troy Schenectady Rd., Latham, NY 12110 | 518-783-6231 | [www.newyorkstateara.org](http://www.newyorkstateara.org)

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## **New Recommendations About COVID 19 Vaccine Boosters**

The CDC has recommended that those persons 65 and over receive a first dose of any 2024-25 COVID 19 vaccine followed by **a second dose the 2024-25 COVID 19 booster at least 4 months after their first dose.** Individuals 6 years of age and older with certain kinds of immunocompromised may receive an additional dose at least 2 months after their last dose.

## **Medicare 2025: Key Changes and Updates**

By Casey Schwartz and our friends at Medicare Rights

Annual changes to premiums and cost-sharing, as well as the continued rollout of significant Part D reforms included in the Inflation Reduction Act, can give rise to questions and confusion. Understanding what will be different this year can help beneficiaries better navigate their coverage and access care with fewer disruptions and lower costs. The most notable changes include:

**\$2,000 Out-of-Pocket Spending Cap for Part D**

As [part of a larger redesign](#) of the structure of Part D plans included in the IRA, in 2025, beneficiaries have a \$0 cost-sharing obligation during the catastrophic phase of coverage, which starts when out-of-pocket costs (deductibles, copays, and cost-sharing for covered drugs) reach \$2,000.

### **Simplified Part D Structure**

Before 2025, Part D plans featured four distinct phases of coverage:

1. **The Deductible Phase** - The beneficiary was responsible for 100% of the drug's cost.
2. **The Initial Coverage Phase** - Costs were shared between the beneficiary and the plan.
3. **The Coverage Gap (or Donut Hole)** - Expenses were divided among the beneficiary, the manufacturer, and, for certain medications, the government. Prior to the Affordable Care Act (ACA), [the beneficiary bore 100% of these costs](#).
4. **The Catastrophic Phase** - Costs were shared between the plan (partially reimbursed by the government in some cases) and the beneficiary, with lower cost-sharing than in earlier phases.

The dollar amounts to reach each of these phases also used different counting methodologies - some costs that "counted" to get a person into the donut hole did not count towards reaching catastrophic coverage.

In 2025, plans can [have three simplified phases](#):

1. **The Deductible Phase** — The beneficiary is responsible for 100% of drug costs up to \$590.
2. **The Initial Coverage Phase** — Costs are shared between the plan and the beneficiary, the beneficiary portion paid in the form of a copay or coinsurance.
3. **The Catastrophic Coverage Phase** — The plan is responsible for all costs.

Both the limit for the end of the deductible period and the end of the initial coverage period use the beneficiary's True Out Of Pocket (TrOOP) expenses (which include what the person themselves pays, plus payments made on their behalf by certain programs and charities).

#### **Payment Plans Are Available for Out-of-Pocket Costs**

Starting in 2025, beneficiaries can choose to spread their [incurred out-of-pocket costs across the year](#). The program is optional and may be less useful to those who have relatively stable drug expenses.

It is important to note that the program does not reduce costs; it only distributes them across the remainder of the year.

For those who have high costs early in the year, people who will meet the \$2,000 out-of-pocket cap and have no cost-sharing obligation for several months, or people who have discrete periods of higher expenses—for example, someone who is prescribed a shorter course of an expensive medication—the prescription payment plan can help spread costs. It is important to note that the program does not reduce costs; it only distributes them across the remainder

of the year. People with unaffordable drug costs should also explore the [Extra Help or Low-Income Subsidy program](#).

### **Midyear Updates From Medicare Advantage About Supplemental Benefits**

Supplemental benefits are a large reason why many choose to enroll in MA. In 2025, for the first time, MA plans will be required to remind people who haven't used their supplemental benefits, including information about how to access them.

### **Governor Hochul Will Deliver 2025 State of the State Address on January 14 in Albany**

New York Gov. Kathy Hochul will deliver her 2025 State of the State address — her fourth as governor — on Tuesday, Jan. 14, her office announced Thursday.

Hochul will give the annual address at 1 p.m. at Hart Theater at the Egg in Albany, a departure from her past addresses in the traditional setting of the Assembly chamber in Albany, which she had called the "original and rightful setting." Former Gov. Andrew Cuomo had moved them to the convention center at the Empire State Plaza, which allowed for more people to attend beyond the members of the Legislature.

The address outlines Hochul's priorities for the 2025 legislative session as she sets course for another run for governor in 2026.

The address is given annually at the beginning of the new state legislative session. State lawmakers are expected to return to Albany just before Hochul's address. NYSARA will be listening and will be advocating for the recognition of senior issues such as rent stabilization for seniors, caregiver benefits, increased funding for the office for the Aging to address senior needs and waiting list for essential services including nutrition.

### **Alliance Leadership Attends Social Security Fairness Act Bill Signing Ceremony**



**Bette Marafino**, President of the Connecticut Alliance and Co-Chair of the National WEP/GPO Repeal Task Force, [introduced President Biden](#) before he signed the Social Security Fairness Act, H.R. 82, into law during a special ceremony at the White House on Sunday.

Alliance President **Robert Roach, Jr.** and Executive Director **Richard Fiesta** also attended the ceremony and stood on stage during the historic signing.

The legislation repeals the harmful Windfall Elimination Provision (WEP) and Government Pension Offset (GPO) provisions that denied full Social Security benefits to public sector retirees who receive a public pension. Spouses and survivors of Social Security beneficiaries who worked in a job not covered by Social Security were also impacted.

"The Alliance is thrilled that President Biden and Congress took action to finally help retirees who have unjustly had their benefits reduced for nearly 40 years," said President **Roach**. "This has been a legislative priority for us since our founding and it could not have happened without such tenacious grassroots advocacy from our members. The Alliance takes special pride in hosting strategy sessions and providing resources over the last four years to activists throughout the nation who made this day possible."



Now that the Social Security Fairness Act is officially law, it will take time to implement. The legislation is [retroactive to January 2024](#), and lump sum payments will be provided to impacted retirees. Retirees who already filed for Social Security and had benefits partially or completely offset because of WEP-GPO should double check that the mailing address and direct deposit information they provided to the Social Security Administration (SSA) is up-to-date. Retirees receiving a public pension who never filed for Social Security benefits should file for them now at [ssa.gov/apply](https://ssa.gov/apply) or at an SSA office.

SSA has [a special web page](#) to provide updates regarding the law's implementation.

## **New Congress Starts to Take Shape**

The composition of the 119th Congress [began to solidify last Friday](#) with the swearing in of members and re-election of Rep. **Mike Johnson** (R-LA) as Speaker of the House. Democrats [re-elected](#) Sen. **Chuck Schumer** (D-NY) as Senate Minority Leader and Rep. **Hakeem Jeffries** (D-NY) as House Minority Leader. More than 60 new representatives and 12 new Senators are joining the House and Senate this session.

Committees with responsibility for health care, aging, and retirement security have new leaders, including:

- [Senate Committee on Aging](#), Chair **Rick Scott** (R-FL), Ranking Member **Kirsten Gillibrand** (D-NY)
- [Senate Health, Education, Labor, and Pensions \(HELP\) Committee](#), Chair **Bill Cassidy** (R-LA), Ranking Member **Bernie Sanders** (I-VT)
- [Senate Finance Committee](#), (including the Subcommittee on Social Security, Pensions, and Family Policy), Chair **Mike Crapo** (R-ID), Ranking Member **Ron Wyden** (D-OR)
- [House Ways and Means Committee](#), Chair **Jason Smith** (R-MO), Ranking Member **Richard Neal** (D-MA)
- [Senate Budget Committee](#), Chair **Lindsey Graham** (R-SC), Ranking Member **Jeff Merkley** (D-OR)
- [House Budget Committee](#), Chair **Jodey Arrington** (R-TX), Ranking Member **Brendan Boyle** (D-PA)

Rep. **Drew Ferguson** (R-GA) is chair of the House Ways and Means Subcommittee on Social Security and Rep. **John Larson** (D-CT) will serve as Ranking Member.

"As the 119th Congress convenes, we will focus our efforts on all proposals affecting retirement security and will call on our members to let their members of Congress know where we stand," said **Richard Fiesta**, Executive Director of the Alliance. "Our continued advocacy work will be crucial given the serious talk of drastic budget cuts and potential changes to the earned benefits older Americans worked and paid for."

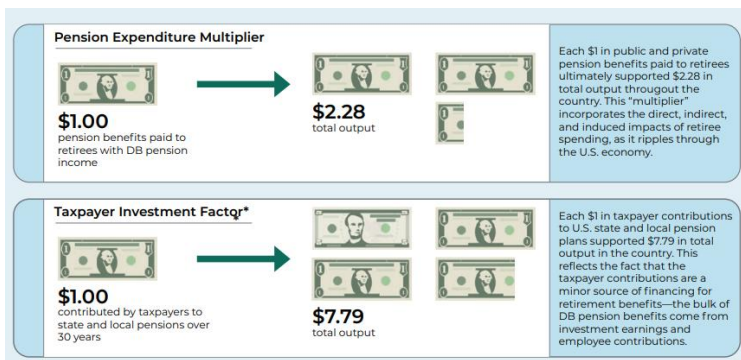


## New Research Illustrates How Pensions Drive the Economy

Defined benefit pension income significantly fueled the economy in 2022, [according to a new report](#) from the National Institute on Retirement Security (NIRS) entitled "Pensionomics 2025."

In 2022, retirees received more than \$600 billion in public and private pension benefits. NIRS' research suggests that these benefits contributed a total of \$1.5 trillion in economic output, supporting \$2.28 for every dollar paid out in pension benefits. Pension income provided a particular boost for the food services, health care, and retail trade sectors.

The analysis also confirms that pensions bolster public finances, providing more than \$200 billion in tax revenue. This influx of government income spanned the federal, state, and local levels.



"This investigation dispels the harmful myth that pensions only directly affect retirees," said **Joseph Peters Jr.**, Secretary-Treasurer of the Alliance. "It's clear that pension income is vital for economic growth and job creation in communities across the country."

The public is invited to a January 15 NIRS webinar about the research. You can register for the webinar [here](#).

***KFF Health News: Biden Administration Bars Medical Debt From Credit Scores***  
**By Noam N. Levey**

The federal Consumer Financial Protection Bureau on Tuesday issued new regulations barring medical debts from American credit reports, enacting a major new consumer protection just days before President Joe Biden is set to leave office.

The rules ban credit agencies from including medical debts on consumers' credit reports and prohibit lenders from considering medical information in assessing borrowers.

These rules, which the federal watchdog agency [proposed in June](#), could be reversed after President-elect Donald Trump takes office Jan. 20. But by finalizing the regulations now, the CFPB effectively dared the incoming Trump administration and its Republican allies in Congress to undue

rules that are broadly popular and could help millions of people who are burdened by medical debt.