

MONDAY ALERT

New York State Alliance For Retired Americans

800 Troy Schenectady Rd., Latham, NY 12110 | 518-783-6231 | www.newyorkstateara.org
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NYC Chapter of NYSARA President Participates in National Day of Action with Representative Nydia Velázquez





On Tuesday, April 15, Barbara Waldmann, President of the New York City Chapter of NYSARA participated in a rally held in Brooklyn on the National Day of Action to Save Social Security. The event was organized by Representative Nydia Velázquez of Congressional District 7. An estimated crowd of a hundred gathered on the street in front of the local Social Security Office to protest the dismantling of the agency.

Congress member Velásquez decried the chaotic cuts to personnel, closure of field offices, data breaches, and the misuse of personal information by DOGE workers and the Trump administration. Of the 70 million recipients who receive benefits, there are 83,532 who are residents of NY-07, including seniors, the disabled, and surviving

children. "For them Social Security is a lifeline, not a luxury. It belongs to the people who paid into it, not the politicians. We won't stand by while Elon Musk and Donald Trump try to tear it down. We should be strengthening it, not trying to dismantle it."

Barbara Waldmann recognized the long history of support that Nydia Velásquez has had in standing up for seniors during her 16 terms in Congress and cited her 100% lifetime score from the ARA Congressional Voting Record. Barbara further stated that Social Security is not a "Ponzi scheme" or entitlement. It is an earned benefit that workers have paid into during all of their working lives. It is our money in the Trust Fund and does not contribute one penny to the nation's budget or deficit. She also spoke of the importance of the Social Security safety net to her own family. "My father was a retired New York City firefighter. When he died suddenly at age 77, his pension died with him. My mother, who had been suffering from Parkinson's disease, had no other source of income except Social Security. Because of that monthly check she was able to live for nine more years without having to worry about becoming destitute."

Other speakers who are disabled and using wheelchairs spoke of the long wait times on the phone trying to get an appointment at the local office and the recurring crashes on the Social Security website. A caseworker from the Urban Justice Center described the increase in initial denials of coverage for her clients and the longer wait times for appeals to be heard due to lack of staffing.

The street rally ended with loud cries of "Hands Off Our Social Security!"

Three New York State Republicans Send Letter to House Speaker Opposing Medicaid Cuts

Dear Speaker Johnson, Majority Leader Scalise, Majority Whip Emmer and Chairman Guthrie:

As Members of Congress who helped to deliver a Republican Majority, many of us representing districts with high rates of constituents who depend on Medicaid, we would like to reiterate our strong support for this program that ensures our constituents have reliable healthcare. Balancing the federal budget must not come at the expense of those who depend on these benefits for their health and economic security. We acknowledge that we must reform Medicaid so that it is a strong and long-lasting program for years to come. Efficiency and transparency must be prioritized for program beneficiaries, hospitals, and states. We support targeted reforms to improve program integrity, reduce improper payments, and modernize delivery systems to fix flaws in the program that divert resources away from children, seniors, individuals with disabilities, and pregnant women - those who the program was intended to help.

However, we cannot and will not support a final reconciliation bill that includes any reduction in Medicaid coverage for vulnerable populations. Cuts to Medicaid also threaten the viability of hospitals, nursing homes, and safety-net providers nationwide. Many hospitals—particularly in rural and underserved areas—rely heavily on Medicaid funding, with some receiving over half their revenue from the program alone. Providers in these areas are especially at risk of closure, with many unable to recover. When hospitals close, it affects all constituents, regardless of healthcare coverage.

To strengthen Medicaid, we urge you to prioritize care for our nation's most vulnerable populations. Our constituents are asking for changes to the healthcare system that will strengthen the healthcare workforce,

offer low-income, working-class families expanded opportunities to save for medical expenses, support rural and underserved communities, and help new mothers. We are committed to working with you to preserve Medicaid and identify responsible savings through deregulation, streamlining federal programs, and cutting administrative red tape. Communities like ours won us the majority, and we have a responsibility to deliver on the promises we made.

Nicole Maliotakis (R 11th CD)
Nick LaLota (R 1st CD)
Andrew Garbarino (R 2nd CD)
and
Mike Lawler (R 17th CD) who was late for sign on to letter

Notes About the Above Letter from Mark Hannay Director Metro New York Health Care for All

None of what's stated in this letter will fundamentally challenge what House leaders have already indicated that they want to do to Medicaid - it just provides political cover for these Reps. to claim they are fighting for Medicaid.

The letter focuses on protecting Medicaid for "vulnerable" people (i.e., the traditional Medicaid populations of seniors, disabled, children, pregnant women, etc. - about 4.6M in NY), but says nothing about regular everyday people on Medicaid (i.e., the working poor people and their families) that are eligible for the Medicaid expansion done under the ACA - about 20+ million nationally, and 2.4 million here in NY.

The letter suggests instead that these people and families can and should use tax-advantaged "health savings accounts" to save up money to pay for health insurance and services, which presumes that they

have money to spare and sock away. However, they are poor and live paycheck-to-paycheck, don't have any savings to spare, and ergo qualify for Medicaid. Also, research show that only wealthier people use HSAs because they itemize their tax deductions, and poor people don't.

In addition, this bifurcation between "vulnerable" people and "everyone else" reflects a long-standing Republican paradigm that splits people on Medicaid into a) those who are deemed "worthy" (as delineated in the letter), and b) those who are viewed as less so and are often characterized as "freeloaders" who don't work (even though the vast majority of working age people on Medicaid do already work, usually in low-wage jobs that also don't provide job-based coverage.)

Overall, this letter is a positive step and is likely only being put out in response to public pressure and to try to placate us, and to put a narrative out there that they are fighting for Medicaid. We can appreciate this letter (and maybe even thank these Reps. for it?) for as far as it goes, but there's still quite a ways for them yet to go to fully protect Medicaid.

This letter also says NOTHING about protecting the ACA premium subsidies and out-of-pocket cost caps for lower-income working people and families who also live paycheck-to-paycheck (just like the ACA Medicaid expansion group.) In the NY context, this group includes those enrolled in our state's special "Essential Plan" (1.6M), plus the generic ACA private plan enrollees (240K.) These two groupings (ACA Medicaid, and generic ACA) are two halves of a spectrum comprised of lower and middle-income working people and families who don't have access to job-based coverage and ergo turn to the ACA for it.

Taken together (ACA Medicaid + Essential Plan + generic ACA), 4.2M NYers are still at risk, about 21% of our population. This letter only protects the 4.5M (23%) of New Yorkers who rely on Medicaid and are

deemed "vulnerable". The letter only goes half-way to protecting everyone

Drug Pricing Executive Order Boosts Pharmaceutical Industry's Goals

By Lindsey Copeland and our Friends at Medicare Rights

On Tuesday, President Trump issued an <u>executive order</u> on prescription drug pricing that supports key drug industry efforts to weaken the Inflation Reduction Act's (IRA) Medicare negotiation program, putting Medicare and beneficiary savings at risk.

Since the IRA's passage, drugmakers have been seeking ways to dilute or sidestep the negotiations, including by bolstering exemptions for certain medications.

Under the law, drugs are eligible for negotiation if they meet specific criteria. One threshold is how long they have been on the market at the time of selection. Reflecting long-standing drug exclusivity policy, these timelines differ based on the type of drug. It must have been at least 7 years since FDA approval for small molecule drugs, which are primarily pills and account for 90% of all medications, and 11 years for biologics, which are generally administered via shots or infusions at the doctor's office. Since the Medicare-negotiated prices take another two years to kick in once those exclusivity periods are over, the exemptions effectively last for 9 and 13 years, respectively.

The executive order directs the Department of Health and Human Services (HHS) to work with Congress to align these timeframes by extending the small molecule exemption period. This would permit drug manufacturers to set prices unchecked for an additional four years, boosting industry profits at the expense of Medicare and Part D enrollees.

Higher Drugmaker Profits and Beneficiary Costs

A new <u>KFF brief</u> finds this proposal would have barred negotiation for more than half of the selected drugs during the first or second rounds of Medicare negotiation, including several (like Eliquis, Jardiance, and Ozempic/Rybelsus/Wegovy) with the highest costs:

- Among the 10 drugs with negotiated prices taking effect in 2026, five would have been ineligible. They accounted for \$32.4 billion (64%) of the \$50.5 billion total gross Part D spending on all 10 selected drugs.
- Among the 15 drugs selected for the <u>second round of</u>
 <u>negotiation</u> (with prices taking effect in 2027), eight would have
 been ineligible. They accounted for \$28.7 billion (71%) of the
 \$40.7 billion in total gross Part D spending on all 15 selected
 drugs.

This analysis shows that a four-year delay would have forced Medicare to select lower-cost drugs for negotiation, yielding smaller overall savings and system-wide impacts. Relative to current law, Medicare spending, drug prices, and Part D premiums would all be higher.

The Executive Order Alone Cannot Rewrite the Inflation Reduction Act

The IRA negotiation criteria are statutory. Therefore, effectuating the order's vision requires congressional action. Unfortunately, this work is already underway. Amid <u>drug manufacturer urging</u> and <u>patient advocate concerns</u>, lawmakers have <u>introduced legislation</u> to extend the small molecule exemption by four years. Immediate next steps for this bill are not clear, but the forthcoming reconciliation bill could be a vehicle for passage.

The Negotiation Program Must Be Strengthened Instead

Medicare Rights is greatly concerned about the impact of such a change on Medicare's financing and prescription drug affordability. This policy would have sharply limited the drug price negotiations so far; 13 drugs—those that accounted for two-thirds of Part D spending on all 25 that were selected, \$61 billion out of \$91 billion—would have been exempt. These uncaptured

costs would grow and compound every year, undermining beneficiary health and economic security.

Savings from the negotiation program are significant and necessary. The nonpartisan Congressional Budget Office (CBO) <u>estimates Medicare will save</u> nearly \$100 billion the first six years it is in place, while Part D enrollees will <u>save billions more</u> through reduced premiums and out-of-pocket costs. Instead of curtailing Medicare drug price negotiation, we urge policymakers to build on it, strengthening the program and extending it to more drugs and more Americans.

Court Grants Preliminary Injunction and Blocks Access to SSA Systems

A federal court granted a preliminary injunction blocking Elon Musk's socalled "Department of Government Efficiency" (DOGE) from further accessing sensitive personal data stored within the Social Security Administration's (SSA) systems Thursday night.

The ruling by federal district court Judge **Ellen Lipton Hollander** in Maryland comes in response to a motion filed by the American Federation of State, County, and Municipal Employees (AFSCME), AFL-CIO; the American Federation of Teachers (AFT); and the Alliance. The court recognized that Musk's operatives' unprecedented access to private Social Security data violated critical privacy protections and would cause irreparable harm.

"Older Americans can breathe easier knowing that Elon Musk and his DOGE team have been clearly ordered to stay away from their most personal financial and health information," said **Richard Fiesta**, Executive Director of the Alliance. "We will always fight to ensure that every American after a lifetime of work receives the Social Security benefits they have earned and that their most sensitive information remains protected."

The preliminary injunction halts DOGE personnel from accessing SSA data while the broader lawsuit moves forward. Read the <u>complaint</u>, the <u>motion</u> <u>for temporary restraining order</u>, the <u>motion for preliminary injunction</u>, and <u>today's ruling</u>.

Alliance Members Participate in "Save Social Security" Day of Action

Tuesday was a "Save Social Security" Day of Action to draw attention to the Department of Government Efficiency's (DOGE) attempts to dismantle the Social Security Administration.

"It is unacceptable, unconscionable and un-American that Elon Musk and House Republicans are dismantling and closing Social Security offices, jacking up wait times and preventing hardworking Americans from securing their benefits," said House Minority Leader **Hakeem Jeffries** (NY), who organized the events. "We will make clear that we are going to do everything possible to protect Social Security and strengthen Social Security so that the American people receive the earned benefits that they deserve."

Alliance members across the country joined lawmakers, allied organizations, and other retirees for rallies and events from Washington State to Middletown, Connecticut. Illinois Alliance members also <u>organized</u> a rally in Jacksonville, IL to urge Rep. **Mary Miller** to protect essential services, and Ohio Alliance member and former APWU local president **Martin Ramirez** <u>spoke</u> at a rally in Toledo with Rep. **Marcy Kaptur** (OH).

"Imagine earning \$100,000 and after 35 years the Bank Manager telling you I'll see if you deserve it, because we think it's an entitlement," **Ramirez** said.



Top left and right: Washington State Alliance members at a Save Social Security Day of Action rally; Bottom left: Connecticut Alliance members with Rep. Joe Courtney (CT); Bottom right: Alliance members at Save Social Security Day of Action rally in Racine, Wisconsin

New Executive Order Raises Concerns About Prescription Drug Prices for Seniors

A <u>new executive order</u> signed by President **Trump** on Tuesday is raising red flags among advocates for affordable prescription drugs. While the order includes a few provisions that appear beneficial, one key section could ultimately lead to higher drug prices for seniors and the Medicare program.

The order directs the Department of Health and Human Services to work with Congress to delay when certain medications become eligible for Medicare price negotiations—potentially rolling back one of the most meaningful reforms in years to lower drug costs. The delay would benefit the drug companies that have been aggressively fighting the Medicare negotiation law since its passage.

Notably, this move follows months of behind-closed-doors meetings between the Administration and the pharmaceutical industry. In <u>December</u>, President Trump and HHS Secretary **Robert Kennedy** held <u>private</u> <u>dinners</u> with Pfizer CEO **Albert Bourla**, Eli Lilly CEO **David Ricks**, and PhRMA CEO **Stephen Ubl** at Mar-a-Lago. A separate meeting took place at the White House in February. Pfizer and Eli Lilly are actively suing to block Medicare drug negotiations, and their executives have publicly <u>opposed the law</u>.

While the order also includes some modest reforms—such as reducing copays for certain cancer treatments at specific facilities and expanding access to discounted insulin and epinephrine for some low-income patients—these changes may pale in comparison to the potential long-term consequences of undermining Medicare's ability to negotiate fair drug prices.

"It appears that the drug industry may have gotten what it wanted, but it remains to be seen if Congress will agree to weaken the landmark drug price negotiation law," said **Robert Roach, Jr.**, President of the Alliance. "We must fight to ensure seniors can afford the prescription drugs they need."

Medicare Advantage Plans Spent Billions on Supplemental Benefits Last Year

In 2024, Medicare Advantage plans <u>paid</u> \$38 billion for services not covered by traditional Medicare. But the Medicare Payment Advisory Commission

(MedPAC), an independent legislative agency that advises Congress on Medicare, <u>says</u> that it can't evaluate or track the way this money was spent.

These services include gym memberships, dental care, and transportation. Commissioners called for standardization of benefits within these plans and criticized the lack of transparency for beneficiaries, who don't always understand exactly what benefits they are signing up for.

"Clearly, we need to know how these dollars are being spent and what value they're delivering," said commissioner **Cheryl Damberg, PhD, MPH**, director of the RAND Center of Excellence on Health System Performance in Santa Monica, California. She suggested Medicare could offer incentives to plans for submitting more complete encounter data that shows more precisely what services were provided, "or [they would] possibly face a penalty for incomplete submissions."

"These are massive payments going out without proper monitoring," said **Joseph Peters Jr.,** Secretary-Treasurer of the Alliance. "Medicare Advantage must be held accountable to ensure that patients are getting the health care they need and that taxpayer dollars are spent properly."

KFF Health News: Trump HHS Eliminates Office That Sets Poverty Levels Tied to Benefits for at Least 80 Million People By Arthur Allen

President Donald Trump's firings at the Department of Health and Human Services included the entire office that sets federal poverty guidelines, which determine whether tens of millions of Americans are eligible for health programs such as Medicaid, food assistance, child care, and other services, former staff said.

The small team, with technical data expertise, worked out of HHS' Office of the Assistant Secretary for Planning and Evaluation, or ASPE. Their dismissal mirrored others across HHS, which came without warning and left officials puzzled as to why they were "RIF'ed" — as in "reduction in force," the bureaucratic language used to describe the firings.

"I suspect they RIF'ed offices that had the word 'data' or 'statistics' in them," said one of the laid-off employees, a social scientist whom KFF Health News agreed not to name because the person feared further recrimination. "It was random, as far as we can tell."

Among those fired was Kendall Swenson, who had led development of the poverty guidelines for many years and was considered the repository of knowledge on the issue, according to the social scientist and two academics who have worked with the HHS team.

The sacking of the office could lead to cuts in assistance to low-income families next year unless the Trump administration restores the positions or moves its duties elsewhere, said Robin Ghertner, the fired director of the Division of Data and Technical Analysis, which had overseen the guidelines.