
THE SENIOR SCOOP

Editorial from President/CEO Mark Gibbons

"Where did the past six months go? I can't believe July is already upon us. The first half of the year has kept us pretty busy. Over the past six weeks, we have visited with 56 Representatives ranging from freshman to sitting members on the two committees where senior issues live: Ways/Means and Energy/Commerce. We have now begun our visits on the Senate side with having visited 13 members with more to come.

We have been discussing the solvency of Social Security and Medicare, among other items. The implementation of the Inflation Reduction Act has been a focal point for us. We have thanked the members for the Out-of-pocket cap, which goes in effect in 2024, and the smoothing mechanism, which rolls out in 2025. Our point of concern is the CMS price negotiating of drug prices. RetireSafe is asking for the plan to do this heavy lift without hurting further pharmaceutical innovation.

Currently, our staff of 5 interns are creating educational webinars and a Presidential Candidate Tracking infographic, which will allow you to compare candidates. As always, if you have any concerns that you would like for us to research or discuss, please reach out to us at info@retiresafe.org."

INFORMATIONAL ARTICLES

Below are informational articles from the Summer 2023 RetireSafe interns. These articles will cover immunizations, Medicare, Social Security, and Medicaid.

Are Seniors in the U.S. Ready for an RSV Vaccine?

The FDA (U.S. Food and Drug Administration) approved vaccine for RSV is designed specifically for older adults. RSV stands for Respiratory Syncytial (sin-SISH-uhl) virus and is a common respiratory virus that causes cold-like symptoms such as runny nose, decreased appetite, coughing, sneezing, fever, and wheezing. In order to relieve symptoms, it's important to manage fever and pain with over-the-counter fever reducers and pain relievers such as acetaminophen or ibuprofen. It's also crucial to drink plenty of fluids and talk to your healthcare provider.

RSV infections can be especially dangerous for older adults above the age of 65. Between 60,000 to 160,000 older adults in the United States of America are hospitalized, and 6,000 to 10,000 of them die as a result of RSV infection. Adults with chronic heart or lung disease and weakened immune systems are also at greater risk.

On May 31st, the FDA approved Pfizer's RSV vaccine for older adults. The first RSV vaccine was from the pharmaceutical company GSK and gained FDA approval earlier in May. This vaccine is also targeted at adults aged 60 and older, similar to the newest vaccine made by Pfizer. The Pfizer vaccine is called Abrysvo and is 85.7% effective at protecting people against RSV compared to participants that received a placebo. In comparison, GSK's vaccine is 82.6% effective. Pfizer's version contains two different strains of RSV in a bivalent shot to optimize immunization.

Now that the FDA has approved a second RSV vaccine, it's up to the CDC (U.S Centers for Disease Control and Prevention) to issue guidelines for administering the shot to the elderly. CDC immunization experts will meet in late June to issue recommendations for both GSK and Pfizer vaccines. Pfizer hopes that sufficient doses will be ready to vaccinate eligible age groups ahead of the coming respiratory virus season in the Fall.

Written by Reeana Tazrean

Medicare: Changing for the Better?

The past few months have brought on significant changes to the Medicare program. The release of the 2024 budget revealed Biden's concerted attention toward American seniors, and the end of the COVID-19 pandemic has engendered new regulations across the healthcare industry.

The Inflation Reduction Act unleashed unprecedented power for Medicare, and their new rights have important implications for consumers. Now, Medicare has the right to negotiate select drug prices with big pharmaceuticals; a landmark move could make American healthcare more affordable than ever. Drugs eligible for price negotiations will be chosen from the top 50 Medicare Part D drugs with the highest Medicare expenditures. Debates will be fair, with consideration for research/development, patent, and distribution costs.

Biden's fiscal year 2024 budget focuses on extending Medicare solvency and lowering healthcare costs. The budget lowers costs for beneficiaries by allowing Medicare to negotiate drug prices with pharmaceuticals, capping cost-sharing on some generic drugs to a monthly bill of \$2/prescription, and decreasing behavioral health care costs. Biden also wants to improve the program's solvency, thus protecting the program long-term. Included in his FY2024 budget is the notable Extra Help program, which promises to lower prescription drug prices for low-income beneficiaries. Under the program, beneficiaries with an income of up to \$21,870 will be provided help to pay for Medicare Part D premiums and cost-sharing. To increase transparency for consumers, The Centers for Medicare & Medicaid Services (CMS) is in the process of publishing an "outreach toolkit" to be sent to beneficiary advocates and organizations. The publication will provide crucial resources to spread awareness about the program's benefits and logistics. To learn more, visit www.medicare.gov/ExtraHelp.

Recent changes to the program appear to follow a positive trend for American seniors. One can only hope that the Biden administration continues to prioritize lowering prices and protecting the American consumer.

Written by Emily Fisher

What Does COLA Increase Mean for Social Security?

COLA, or Cost of Living Adjustment, is an annual calculation made in the third quarter to determine adjustments for the following year. It takes into account inflation and calculates how much the cost of living has gone up. Regarding social security, a COLA percentage is figured out based on the Consumer Price Index for Salaried Urban Workers and Clerical Workers (CPI-W), and Social Security benefits are increased accordingly. In 2023, Social Security benefits underwent a substantial 8.7% increase, marking the largest increase in recent history since 1981. This surge resulted in an increase of \$144 for the average retiree.

Looking ahead to the 2024 COLA increase, we consider the inflation rate for the current calendar year. Inflation is almost 5% higher in February, March, and April of 2023 compared to the same months in 2022. Notably, in the third quarter of 2022, inflation skyrocketed and caused a great increase in the Cost of Living Adjustment. Had this outlier not been factored into COLA calculations, the increase would have only been around 1.5%, which is significantly lower than the final 8.7%. Current projections for this year point to a 2% increase. Although, if we see another third-quarter spike in inflation, that number could change drastically.

A low COLA increase is not a bad thing: in fact,

it indicates inflation has declined, which is beneficial for all Americans, including retirees. Since the increase does not help cover the higher prices seniors are already paying due to inflation, a slower inflation rate and lower COLA means Social Security benefits have more purchasing power. There are some concerns that the slowed rate of inflation does not directly transfer to lower costs, particularly in healthcare and out-of-pocket costs. While the average consumer spends only 7% of their income on healthcare, seniors, on average, allocate a much larger portion- around 29% of income on healthcare costs.

Therefore, a smaller COLA increase may not be enough to completely offset the elevated prices seniors are facing. The smaller increase may be harmful to seniors, but a slower inflation rate combined with a lower COLA means Social Security benefits could retain more purchasing power for retirees. Keeping the rate of inflation in check will help mitigate the impact of rising costs.

Written by Regan Theberge

Medicaid and Assisted Living Evictions

Millions of people across the United States utilize Medicaid benefits. With the end of the Covid-19 pandemic, many people are finding themselves without coverage as a review of eligibility begins. This begs the question of how this will impact American Seniors and what should be expected. People already face many issues when utilizing Medicaid coverage, including for assisted living care.

For someone to qualify for assisted living care to be covered by Medicaid, an individual must meet income requirements. While Medicare is an entitlement program, Medicaid is seen as a welfare program. This often requires elderly individuals to become 'impoverished' to pay for their nursing home care.

While in theory, this allows elderly people to have confidence that they will have an assisted living facility to live in without worrying about how to pay for it after they have run out of personal savings. However, for some individuals nationwide, this has stopped being the case. Evictions are being seen from assisted living facilities because the facility no longer accepts Medicaid as a payment method. While the law protects those in nursing home care from Medicaid-related evictions, the same legal protection is not there for those living in assisted living facilities. This lack of protection for both assisted living and nursing homes leaves many people with few options when they can no longer live in their current facility.

The assisted living facilities' reasoning is that Medicaid has been paying the facilities too little.

For example, according to the Washington Post, Wisconsin has had at least 50 Medicaid-related evictions. These evictions and the facility's rejection of Medicaid payments are creating trauma for elderly people who are forced to leave the places they were living and attempt to find a different facility that will accept Medicaid payments. Many people have emptied their savings accounts to qualify for Medicaid, and now they can no longer rely on that. This dilemma has put many elderly individuals nationwide in an unstable position and threatens their living situations.

Written by Abigail Bylund

The Good and Bad of Medicare Advantage

Medicare Advantage plans are Medicare-approved healthcare plans from private companies for people 65 years or older that offer an alternative to traditional Medicare coverage. Lately, the news surrounding Medicare Advantage plans has been a mix of good and bad. One of the bad concepts surrounding Medicare Advantage plans is that the large majority of plans include prior authorization requirements for some services. This means that in order to get medical care for certain issues, it must be approved by the insurance company managing the Medicare Advantage plan. With these insurers having the power to approve whether someone gets care or not, many medically necessary services are delayed or shot down because that increases profits for these insurance companies.

Another problem surrounding Medicare Advantage plans lately is that these plans are misleading seniors about the benefits they will actually receive under certain plans. For example, even though ads and commercials will claim that Medicare Advantage plans have better dental, vision, and hearing coverage than traditional plans, customers will find that they do not actually receive those benefits once they are enrolled in that plan. This is because Medicare Advantage plans do not have to submit to the federal government what benefits are included in certain plans, which prevents people from having accurate information when they enroll in a plan. This leads to many seniors not getting the coverage they believed they would receive or to them having to pay expensive out-of-pocket costs to get the dental, vision, and hearing coverage they require.

Luckily, the Centers for Medicare and Medicaid Services recently came out with a final rule for 2024 that will help solve the problem of prior authorization and seniors being misled about the benefits they will receive. The new rule states how Medicare Advantage plans must comply with traditional Medicare regulations and national and local coverage determinations when making prior authorization decisions. The rule also says how prior authorization approvals have to remain valid as long

as they are medically necessary. This new rule was put in place to prevent Medicare Advantage plans from wrongfully denying care to seniors.

To solve the problem of seniors being misled by ads for Medicare Advantage plans, the new rule laid out by the CMS took steps to address how Medicare Advantage plans could conduct marketing. The new rule prohibits ads that do not mention a plan name, use words to confuse enrollees, misleadingly use Medicare logos, strengthens the role of plans in monitoring agent and broker activity in order to protect beneficiaries from predatory behavior, and ensures enrollees receive accurate information about the coverage they will receive from plans.

These measures were included in the final rule to ensure that seniors know the benefits included in plans and to prevent insurance companies from roping them into enrolling in plans by lying to them about the coverage they will receive.

Written by Tim Chianca