

Trump's Pandemic Response and Our Legislative Agenda

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Public Sector Round Table
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Agenda

1. The Administration's poor response to COVID-19.
2. The case for further robust pandemic response legislation.
3. The need to slow down health costs – for example drug pricing and surprise billing.
4. The need to use cost-savings for investments in ACA and Medicare.

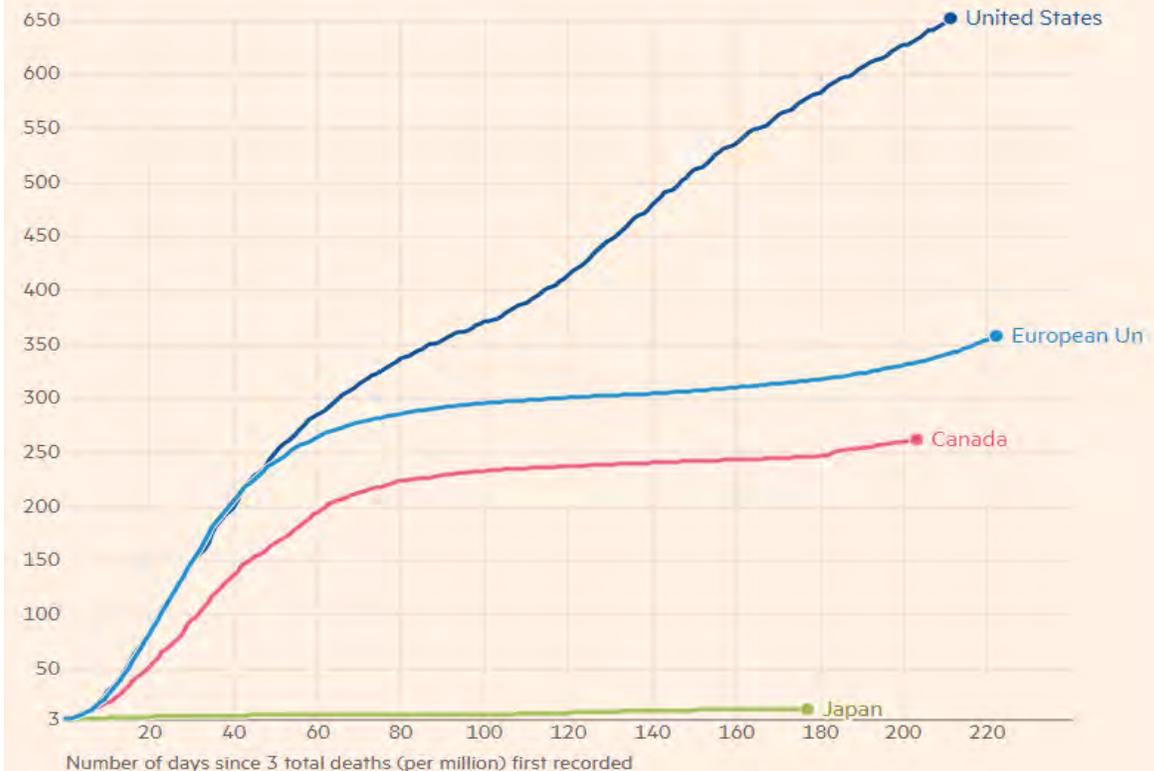


U.S. Compared to the World

We continue to greatly underperform in our national response to COVID-19. Cumulatively, the US has **more than double** the number of COVID-19 deaths per million people compared to our European counterparts (population of 333M vs 446M respectively).

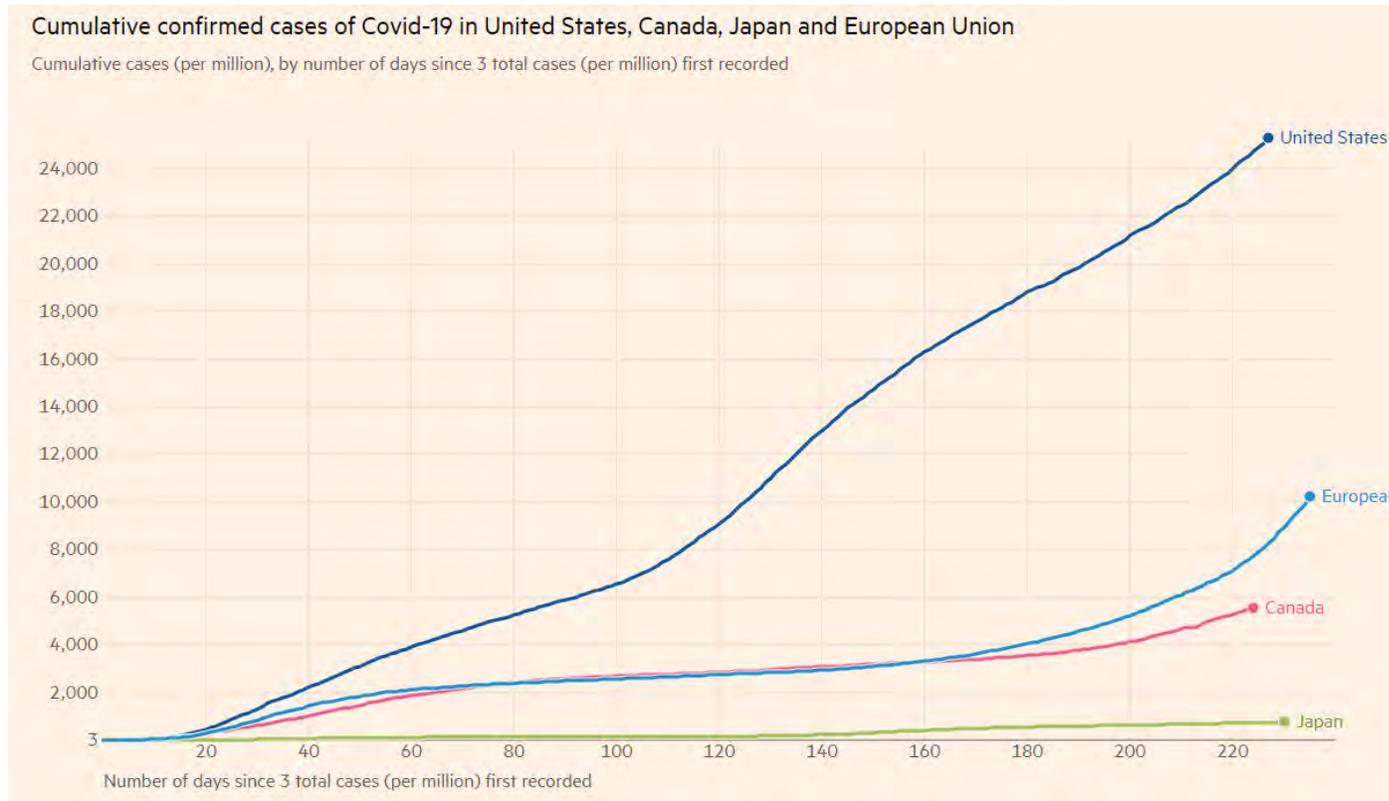
Cumulative deaths attributed to Covid-19 in United States, Canada, Japan and European Union

Cumulative deaths (per million), by number of days since 3 total deaths (per million) first recorded



U.S. Compared to the World cont.

On cases, the picture is the same. Even with our neighbor to the north, Canada has done much better to suppress and slow the spread of the virus – we have **over 4 times** the number of cumulative cases per million people compared to Canada.



HEROES 2.0 Addresses the Pandemic

The updated HEROES Act included many important priorities. For **health** in particular:

- **\$75B** for testing, contact tracing and isolation infrastructure in order to crush the virus.
- **\$50B** for the Provider Relief Fund, including language to more equitably distribute funds.
- **\$25B for a new pathway** to allow those receiving UI benefits to enter into generous ACA coverage.
- Clarification of testing requirements so that there is “no wrong door” for patients.
- Provisions to strengthen our public health response and infrastructure
- **\$28B** for vaccine & therapeutics development as well as funding to support an eventual COVID vaccination campaign.
- Over **\$50B** in additional FMAP bumps.

HEROES 2.0 - Important Priorities	
State & Local	\$436
Unemployment Insurance	\$390.6
Schools	\$225
Direct Payments	\$307
Student Loan Relief	\$49
Child Care	\$57
Low Income Assistance	\$94
Health	\$258
Housing	\$71
Business & Farm	\$345
Net Operating Losses	\$254
Pensions	\$48
ERTC	\$112
Other Tax	\$66
Other Appropriations	\$179
Other Direct Spending	\$14
TOTAL Spending	\$2,398



The Need for Lower Drug Prices

- Harming Patients: About **1 in 3** Americans report not taking medication due to costs and **42% of cancer patients** deplete their net worth in the first two years of treatment – in part due to drug prices.
- Unjust Price Increases: Between 2008 and 2015, **prices** for the most commonly used brand name drugs **increased 164%**.
- Unsustainable Spending: Spending growth for prescription drugs is projected to generally accelerate over 2018-2027 (averaging 5.6%). AARP reported this month that brand name drug prices increased more than twice as fast as inflation in 2018.
- Growth in Specialty Drugs: In 2015, brand name specialty drugs were 30% of net drug spending under Medicare Part D & Medicaid yet just 1% of prescriptions in each program. Future drugs coming to market are expected to be predominantly complex specialty drugs and gene therapies further exacerbating this crisis.
- Pay More Than International Counterparts: Americans pay on average 2-4 times as much for prescription drugs than other OECD countries.



We are paying significantly more for drugs than our OECD counterparts.

Average price per drug amongst developed countries:



H.R. 1425 – Patient Protection and Affordable Care Enhancement Act

- **Increases ACA Subsidies** – For the first time, no person will pay more than 8.5 percent of their income on a silver-plan. People earning up to \$19,140 will have their premiums on a silver-plan cut to zero.
- **Further Incentivizes Medicaid Expansion** – Encourages “hold-out” states to expand Medicaid for nearly 4.5 million uninsured Americans.
- **Combats Health Disparities** – Requires states to expand Medicaid or CHIP coverage for new mothers for 1-year post-partum and would significantly reduce the insurance coverage gap in communities of color.
- **Undue Trump Sabotage** – Would take steps to ameliorate all of the Trump administrations action over the past 4 years to undermine the law.
- **All paid for by HR3!**



Medicare Improvements

In December 2019, using savings from HR3, we invested in one of the most significant expansions of the Medicare program since its establishment.

1. Dental – Creates a new benefit that covers preventative and screening dental services, basic and major dental treatments, and dentures.
2. Vision – Covers routine eye exams, eyeglasses or contact lenses.
3. Hearing – Provides reimbursement for treatment services provided by audiologists and adds coverage for hearing aids for individuals with severe or profound hearing loss.
4. Part D Reform – Establish a cap on out-of-pocket drug spending for beneficiaries.



Questions?

