

Protect Our Care: The Inflation Reduction Act drives down costs for Americans with diabetes

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As part of the final Inflation Reduction Act [theme week](#), Protect Our Care is highlighting how the historic legislation will help Americans with serious diseases, including diabetes. The Inflation Reduction Act [will](#) drastically reduce the cost of prescription drugs for Americans enrolled in Medicare's Part D drug benefit by allowing Medicare to negotiate drug prices, preventing drug companies from raising prices faster than the rate of inflation, and capping out-of-pocket spending on drugs to \$2,000 a year. This bill also extends enhanced American Care Act subsidies to allow more Americans to afford high-quality coverage, reducing racial, income, and geographic disparities in health care and saving lives. [Millions](#) of Americans with diabetes will feel the direct financial impacts of affordable prescription drugs and health insurance from this bill.

By The Numbers:

- [3.3 million](#) Medicare beneficiaries with diabetes will benefit from a guarantee that their insulin costs are capped at \$35 for a month's supply.
- Premium tax credits extended in the Inflation Reduction Act will allow [13 million](#) people with pre-existing conditions, including diabetes, to save money on their insurance
- Diabetes is the [costliest](#) chronic condition in America.
- [More than 8 million](#) people rely on prescription insulin.

The Inflation Reduction Act Lowers Health Care Costs

Capping Out-Of-Pocket Costs Will Help Millions Of Seniors With Diabetes

Save Money. Medicare beneficiaries with serious conditions like diabetes, multiple sclerosis, and rheumatoid arthritis could save thousands of dollars under the Inflation Reduction Act. In 2025, out-of-pocket costs for prescription drugs will be capped at [\\$2,000](#) per year for medications covered by Medicare Part D; directly lowering costs for the more than 1.4 million enrollees who paid more than \$2,000 on medication in 2020. A [quarter of American adults](#) have not filled a prescription, cutting pills in half, or skipped doses due to the cost of medication. [One out of every four](#) Americans with diabetes can't afford their insulin.

Extending Premium Subsidies Saves Lives. The Inflation Reduction Act extends enhanced premium subsidies through the end of 2025. Right now, [nearly 13 million](#) people, or 89 percent with an ACA plan, are receiving enhanced premium tax credits, making their coverage affordable and accessible. After two years of these subsidies, the Department of Health and Human Services released [an analysis](#) showing that just 8 percent of Americans lacked health insurance at the beginning of 2022 — an all-time low for the nation.

Gives Medicare The Power To Negotiate Lower Drug Prices. Under the Inflation Reduction Act, Medicare will be empowered to negotiate prices for select drugs for Medicare Part D's [49 million](#) beneficiaries. Beginning in 2026, [10 drugs](#) will be negotiated with that number increasing to 15 drugs in 2027, and 20 drugs in 2029 and into the future. By 2030, more than 80 drugs will be eligible for Medicare price negotiation, in addition to insulin products.

Every Republican In Congress Voted For Higher Insulin Prices For Americans With Diabetes. Every Republican in Congress voted against capping insulin copays for Medicare beneficiaries at [\\$35](#) each month starting in [2023](#). Almost all Republicans in the Senate also voted to [block](#) applying the \$35 monthly cap to people with private insurance, forcing higher prices onto millions of Americans with diabetes.

Affordable Insulin Directly Helps Minority And Rural Seniors. Minority Americans are disproportionately affected by diabetes when compared to their white counterparts with [over 12 percent](#) of Black adults and 11.8 percent of Hispanics being diagnosed with the disease. Black Americans also continue to be the [hardest hit](#) when it comes to affording their prescription drugs and paying medical bills.

According to a 2018 study, rural Americans are [17 percent](#) more likely to

suffer from diabetes than urban Americans. Diabetes risk factors are [higher](#) in rural areas than their urban and suburban counterparts as they have [less access](#) to health care providers, fewer transportation options to receive care, and higher rates of being uninsured.

These seniors are forced to stop taking their medication or cut doses in half. Diabetics suffer severe effects such as numbness in feet and nerve damage in the eyes when they stop taking doses as prescribed. Patients who suffer chronic complications can expect to pay upwards of an additional [\\$650](#) per year. The insulin cap provision in the Inflation Reduction Act will vastly improve the lives of millions of older, minority, and rural insulin users.