September 10, 2021

The Honorable Frank Pallone  
Chairman  
House Committee on Energy and Commerce  
2125 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Cathy McMorris Rodgers  
Ranking Member  
House Committee on Energy and Commerce  
2322 Rayburn House Office Building  
Washington, D.C. 20515

Dear Chair Pallone and Ranking Member McMorris Rodgers:

AARP, on behalf of our 38 million members and all older Americans nationwide, supports the efforts of the Energy and Commerce Committee to invest in the health and financial security of all Americans, which will benefit generations to come. This is a monumental opportunity for Congress to address the significant needs of older Americans that have persisted for decades.

AARP supports many of the provisions before the committee, including:

**Prescription Drug Affordability**

There is no reason why Americans should continue paying the highest prices in the world for prescription drugs. A recent AARP survey found that 70% of Americans age 50+ believe finding solutions to lower drug prices this year is very important. The same survey found that the high cost of drugs was the most common reason that people did not fill a medicine their provider prescribed for them. Meanwhile, retail prices for the most widely-used brand name prescription drugs increased by an average of 277% percent between 2006 and 2020, compared to a general inflation rate of 32% in that same period.

AARP supports three key federal solutions included in the legislation that will lower drug prices and costs for older Americans:

- Allow Medicare to negotiate for the price of prescription drugs. This reform is overwhelmingly supported by older Americans, with 89% of Independents, 85% of Republicans and 88% of Democrats saying they support allowing Medicare to negotiate.
- Cap out-of-pocket costs in Medicare Part D. Older Americans taking expensive drugs can face out-of-pocket costs that exceed $10,000 per year.
- Penalize drug companies that increase drug prices faster than inflation. In 2020 alone, drug prices increased at twice the rate of inflation.
According to the Congressional Budget Office, allowing Medicare to negotiate for the price of prescription drugs could save billions of dollars for older Americans in Medicare Part D and hundreds of billions more for the Medicare program overall. We strongly support the prescription drug provisions before the committee and appreciate your work to lower drug prices. The time to act is now.

**Investing in Home and Community-based Services**

AARP supports a major financial investment in the care economy, specifically to expand Medicaid home and community-based services (HCBS) and to support the paid direct care workforce that provides these services. Our fractured and outdated long-term care system is broken. On average, Medicaid can serve about three people in their homes and communities (where the vast majority of Americans want to receive care as they age) for the cost of just one person in a nursing home. Sadly, COVID-19 has exposed the weaknesses in this system, with more than 186,000 deaths among nursing home and other long-term care facility residents and staff, representing nearly 30 percent of this country’s COVID-19 fatalities. The status quo is not only unacceptable, it is deadly.

The Better Care Better Jobs Act (H.R. 4131) is an important step toward long-overdue action to expand access to Medicaid HCBS, support the paid workforce, and help states to serve those who need these services now and in the future. We appreciate that the enhanced HCBS federal matching rate for states (FMAP) and other provisions in the legislation before you would help expand HCBS access to more individuals; provide support for family caregivers; help ensure better data collection and opportunities for stakeholder input; require the use of HCBS quality measures; and support the paid workforce through adequate pay. We also support making permanent the Money Follows the Person Rebalancing Demonstration Program and financial protections for the spouses of individuals receiving Medicaid HCBS. This legislation makes critical investments to help people live in their homes and communities where they want to be.

AARP has led the effort to increase availability of these services in states across the country. In addition to drastically expanding access to HCBS under Medicaid and supporting and expanding the direct care workforce, AARP strongly supports the bipartisan Credit for Caring Act (H.R. 3321) that would provide much-needed financial help to working family caregivers. This legislation would give some relief through a tax credit to eligible working family caregivers who face very high costs of caring for their loved ones, and we urge the inclusion of such a family caregiver tax credit in the larger legislative package. We also support paid leave policies that give caregivers the workplace flexibility they need to care for their families. All of these policies are essential if we want to build a humane, sustainable system of care that works for every American family.

**Affordable Health Coverage**

AARP supports the establishment of an Affordable Care Act (ACA) Reinsurance Program. We have long advocated for reestablishing the ACA’s initial reinsurance program and are pleased to see it included. Over the last decade, reinsurance programs established in states across the
country have driven down insurance premiums and out-of-pocket costs for millions of Americans. A report from Georgetown University found that the reinsurance programs in Alaska, Minnesota, and Oregon helped stabilize premiums, increase enrollment, and maintain insurer participation in the individual market. Another analysis from the health care consulting firm Avalere found that states implementing reinsurance programs see an average 19.9 percent drop in individual market premiums within the first year. Older adults in these markets already pay premiums that are up to three times as high as the premiums younger adults pay for the same coverage, so reducing premiums by even a small percentage can make a significant difference for older adults.

**Medicare Benefit Improvements**

AARP has long supported closing the gaps in health coverage by including dental, hearing, and vision coverage in the Medicare program. The lack of coverage for these important benefits leads to worse health for older Americans, which could lead to higher Medicare spending. To achieve the best possible health outcomes, and the greatest value, Medicare should cover the entire person – from head to toe. We appreciate the committee’s inclusion of new dental, hearing and vision benefits in Medicare in the legislation being considered.

The need for dental care, in particular, among older people is both significant and urgent. A recently released Kaiser Family Foundation report shows that almost half of all Medicare beneficiaries did not have a dental visit within the past year (47%), with higher rates among those who are Black (68%) or Hispanic (61%), have low incomes (73%), or who are in fair or poor health (63%). Average out-of-pocket spending on dental services among Medicare beneficiaries who had any dental service was $874 in 2018.

There is a clear connection between poor oral health care and certain chronic diseases like diabetes and heart disease. Access to adequate dental care among older adults can prevent or delay these problems and may lead to overall improvements in health and well-being among seniors. Similarly, vision loss and hearing loss in older people is connected with memory loss and dementia and can lead to increased social isolation that negatively impacts all aspects of a person’s life. AARP’s research shows that social isolation among midlife and older adults is associated with an estimated $6.7 billion in additional Medicare spending annually.

Although some Medicare Advantage plans include dental, hearing, and vision benefits, their coverage is inconsistent, and not nearly robust enough. People want these services and are often surprised when they learn Medicare does not cover them. Medicare Part B should cover dental care, vision care, and hearing care, and Congress must take this opportunity to make it happen.

**Device Vouchers for Broadband**

Among people age 50 and older, 60% say that the lack of high-speed internet is a problem. This has been particularly evident during COVID-19 when internet service has not only helped people stay connected, but also allowed people to keep telehealth appointments and schedule vaccine shots. Of course, high-speed internet only works if the individual can afford a device, and more than four in 10 low-income households lack a computer.

AARP strongly supported the successful Emergency Broadband Benefit (EBB), which included a one-time use of funds for equipment (laptop, desktop, or tablet). We support a companion
voucher program to ensure the success of the Affordable Connectivity Benefit (the continuation of the EBB). Relatively few internet service providers have offered devices through the EBB, and in the few cases, most have gone to K-12 students, leaving behind workers and older adults. Without access to both broadband and devices, we will not succeed in closing the digital divide.

**Conclusion**

We again urge you to seize this current opportunity to lower drug prices, improve Medicare and HCBS, and expand access to health care and broadband technology. The legislation you are working to approve is nothing short of transformative. We urge you to pass these important policies to improve the health and financial security of all older Americans, and we look forward to continuing to work with you on this effort. If you have any additional questions, feel free to contact me at 202-434-3750.

Sincerely,

Bill Sweeney
Senior Vice President
Government Affairs