



## The Biden-Harris Administration is Lowering Health Care Costs for Tens of Thousands of People Across the District of Columbia

**THE BIDEN-HARRIS ADMINISTRATION** has made expanding access to high-quality, affordable health care a top priority in the United States. That includes working to bring down health care costs and strengthen health care coverage so Americans can have peace of mind knowing that an emergency or a visit to the doctor's office won't send them into bankruptcy.

According to projections from the U.S. Department of Health and Human Services, because of President Biden's Inflation Reduction Act (IRA) – his landmark law to lower prescription drug costs – about **33,000 DC** residents will save an average of **\$184 per year** on prescription drug costs when new policies, including the \$2,000 annual out-of-pocket cap on Medicare prescription drug costs go into effect in 2025.<sup>1</sup> This is in addition to the tens of thousands of DC residents who are already saving money on insulin and vaccines because of President Biden's prescription drug law.

The President's new lower cost prescription drug law is helping to connect more Americans to quality care while giving them some extra financial breathing room. This includes:

- Making recommended vaccines available at no cost – in 2023, more than 10.3 million Medicare Part D enrollees received a recommended vaccine free of charge, which saved those enrollees more than \$400 million in out-of-pocket costs;<sup>2</sup>
- Eliminating cost-sharing in the catastrophic phase of the Part D benefit, capping annual out-of-pocket drug costs for prescription drugs, capping insulin costs at \$35/month per covered insulin product, and expanding the Low-Income Subsidy (LIS) program for people with Medicare Part D;
- Allowing Medicare to negotiate lower prescription drug prices directly;
- Requiring drug companies to pay a rebate to Medicare if they raise certain drug prices faster than the rate of inflation; and
- Continuing enhanced premium tax credits that helped millions of people covered under the Affordable Care Act (ACA) save on their Marketplace health insurance.

### Lowering Prescription Drug Costs for Tens of Thousands of DC residents

**Over 95,000 residents of District of Columbia were enrolled in Medicare as of February 2024.**<sup>3</sup>

- As of February 2024, over 71,000 residents of District of Columbia were enrolled in Medicare Part D.<sup>3</sup>
- In 2025, the changes are expected to save about 33,000 Medicare Part D enrollees in District of Columbia an average of \$184, for a total of over \$6 million.<sup>1</sup>

**Over 11,000 Medicare Part D enrollees in District of Columbia take drugs selected for negotiation including:**<sup>4</sup>

- Over 5,000 Medicare Part D enrollees who take Eliquis or Xarelto, drugs used to prevent and treat blood clots.
- Nearly 4,000 Medicare Part D enrollees who take Jardiance, Januvia, or Farxiga for Type 2 Diabetes.
- Nearly 1,000 Medicare Part D enrollees who take Entresto to treat heart failure.

**In 2023, over 11,000 Medicare Part D enrollees in District of Columbia received a recommended Part D covered vaccine with no cost sharing, which represents 18 percent of the state's total Part D population.**<sup>5</sup>

<sup>1</sup> <https://aspe.hhs.gov/sites/default/files/documents/93a68f3c5ca949dcf331aa0ec24dd046/aspe-part-d-oop.pdf>

<sup>2</sup> <https://aspe.hhs.gov/reports/ira-elimination-vaccine-cost-sharing-2023>

<sup>3</sup> <https://data.cms.gov/summary-statistics-on-beneficiary-enrollment/medicare-and-medicaid-reports/medicare-monthly-enrollment/data>

<sup>4</sup> <https://aspe.hhs.gov/sites/default/files/documents/9a34d00483a47aee03703bfc565ffee9/ASPE-IRA-Drug-Negotiation-Fact-Sheet-9-13-2023.pdf>

<sup>5</sup> <https://aspe.hhs.gov/reports/ira-elimination-vaccine-cost-sharing-2023>

**The IRA expanded eligibility for Medicare’s LIS Program. Nearly 200 Partial LIS enrollees in District of Columbia would have received full LIS benefits if the IRA’s LIS eligibility expansion had been in effect in 2020.<sup>6</sup>**

## **Increasing Access to Affordable Health Care for Tens of Thousands of DC residents**

The Biden-Harris Administration has a simple vision: “Health care is a right for all and not a privilege for the lucky few.” That’s why the Biden-Harris Administration has made expanding access to high-quality, affordable health care a top priority. More than 300 million people now have access to quality, affordable health care, including over 21 million who enrolled through the Marketplace, made possible because of the ACA. Over 45 million people are currently enrolled in Marketplace or Medicaid expansion coverage under provisions of the ACA, the highest total on record.<sup>7</sup> This has contributed to the current historic low in the uninsured rate, which in 2023 was less than 8 percent.<sup>8</sup> Between 2020 and 2023, plan selections in HealthCare.gov Marketplaces, which account for more than half of total Marketplace enrollment, grew by 103 percent among Latino individuals, 95 percent among Black individuals, 59 percent among American Indian and Alaska Native individuals, 28 percent among Multiracial individuals, 25 percent among White individuals, and 14 percent among Asian American, Native Hawaiian, and Pacific Islander individuals.

**More people in District of Columbia have health insurance coverage since the implementation of the ACA.**

- Since the implementation of the ACA, the total uninsured rate in District of Columbia decreased 3.8 percentage points (6.7% in 2013 vs. 2.9% in 2022).<sup>7</sup>

**In 2024, 15,000 residents of District of Columbia signed up for coverage related to the Marketplace under the ACA.<sup>7</sup>**

- In 2023, the average subsidy per month for consumers who received a subsidy in District of Columbia was \$361 and the average monthly premium after subsidies was \$606.<sup>9</sup>

## **Strengthening Medicaid**

More people in America enrolled in Medicaid for comprehensive, quality health coverage than in any other program. To date, 40 states and the District of Columbia have expanded Medicaid under the ACA, meaning more people in those states will now have access to better health coverage and a pathway to a more prosperous and healthy future. If the remaining ten states expanded Medicaid, an additional nearly 3.5 million would be covered. As of February 2024, approximately 83 million people were enrolled in Medicaid or the Children’s Health Insurance Program (CHIP).<sup>10</sup> In the last three years, the Biden-Harris Administration has expanded access to uninterrupted postpartum coverage for a full year after birth, has expanded 12-month continuous eligibility for all children in Medicaid and CHIP, and has urged states to expand service delivery in schools, including for behavioral health care. In addition, under section 9817 of the American Rescue Plan Act, states expect to spend nearly \$37 billion in federal and state Medicaid funds on activities to enhance, expand, or strengthen home and community-based services.<sup>11</sup>

- As of February 2024, over 266,000 residents of District of Columbia were enrolled in Medicaid or CHIP.<sup>12</sup>
- District of Columbia expanded Medicaid effective January 1, 2014 and as of September 2023, over 87,000 low-income adults were eligible for Medicaid because District of Columbia took advantage of the ACA expansion.<sup>13</sup>

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<sup>6</sup> <https://aspe.hhs.gov/reports/expanded-financial-protections-under-low-income-subsidy-program>

<sup>7</sup> <https://www.aspe.hhs.gov/reports/aca-related-enrollment-february-2024>

<sup>8</sup> <https://www.aspe.hhs.gov/reports/national-uninsured-rate-remains-77-percent-q4-2023>

<sup>9</sup> <https://www.cms.gov/files/document/early-2023-and-full-year-2022-effectuated-enrollment-report.pdf>

<sup>10</sup> <https://www.medicaid.gov/medicaid/national-medicaid-chip-program-information/downloads/february-2024-medicaid-chip-enrollment-trend-snapshot.pdf>

<sup>11</sup> <https://www.medicaid.gov/medicaid/home-community-based-services/downloads/arp-sec9817-overview-infographic.pdf>

<sup>12</sup> <https://www.medicaid.gov/medicaid/national-medicaid-chip-program-information/medicaid-chip-enrollment-data/monthly-medicaid-chip-application-eligibility-determination-and-enrollment-reports-data/index.html>

<sup>13</sup> <https://www.aspe.hhs.gov/reports/aca-related-enrollment-february-2024>