

NEW REPORT: Republicans Want to Hike Alabamans' Drug Prices to Line the Pockets of Big Drug Companies

As of January 8, a record [24 million](#) people signed up for coverage under the ACA. The Inflation Reduction Act also capped annual out-of-pocket drug costs for seniors for over [11 million seniors](#), capped the cost of insulin at \$35 per month, provided free vaccines to seniors, and, for the first time in history, gave Medicare the power to negotiate lower drug prices. Bringing down the cost of health care has given families more breathing room and has helped keep food on the table and a roof over the heads of millions of people.

But this progress is all at risk. Donald Trump and Republicans continue to escalate their attacks on American health care, ripping away care for millions in order to give tax breaks to billionaires. Not a single Republican in Congress voted to pass the Inflation Reduction Act and they continue to work to repeal the law altogether. Republicans are also refusing to extend the tax credits for working families and revisiting additional policies to raise costs by repealing prescription drug savings. If Trump and MAGA Republicans get their way, five million Americans will lose affordable life-saving health care and costs will go up for millions more.

BY THE NUMBERS:

29,127 Alabamans on Medicare who use insulin are now [saving on average](#) \$439 annually thanks to the \$35 per month insulin cap and thousands of other Alabamans have seen their insulin prices fall thanks to Democratic policies holding pharmaceutical companies responsible for their price gouging.

166,000 Alabamans who take one or more of the first ten drugs selected by Medicare for negotiation will see lower prices starting in 2026. In 2026 alone, seniors will save [\\$1.5 billion](#) out-of-pocket and taxpayers will save \$6 billion thanks to lower negotiated prices.

220,957 Alabamans will [save an average](#) of \$600 annually thanks to just the Inflation Reduction Act's \$2,000 annual out-of-pocket cost cap which began in January of 2025. By June 30, 2024, 90,535 Alabamans had [already spent](#) \$2,000 on prescription drugs. In 2022, 220,957 Alabamans on Medicare but not on a low-income subsidy [spent](#) an average of \$523 out-of-pocket on prescription drugs.

1,114,484 Alabamans [on Medicare](#) are now protected from drug company price hikes on drugs provided through Medicare Part B. Drug companies that increase prices faster than inflation must pay a rebate to Medicare, which lowers out-of-pocket costs for seniors. Since this took effect in 2023, over [770,000 seniors](#) nationwide have benefitted from penalties imposed on 98 drugs, saving nearly \$3 billion for seniors and taxpayers.

129,267 of Alabama's seniors, 15 percent of the state's Part D population, received the shingles vaccination and other recommended vaccinations [free of cost](#) in 2023.

993,581 Alabamans on [Medicaid and CHIP](#) will maintain or gain access to expanded vaccine coverage of which around [20.5 percent](#) are Black, [36.9 percent](#) are Hispanic, and [3.4 percent](#) are Asian American or Pacific Islanders according to national averages.

THE DETAILS:

Medicare’s price negotiation power will lower drug costs for over 150,000 Alabamans.

Made possible by the Inflation Reduction Act, Medicare is now negotiating prices with drug companies for some of the most expensive and commonly prescribed drugs. Medicare announced new, lower [negotiated prices](#) for the first ten drugs selected for negotiation, with list prices lowered by up to 79 percent for seniors. Around 166,000 Alabamans are [currently taking](#) one or more of these prescription drugs, of which around [48 percent](#) are women.

Below is a [breakdown](#) of the discounts negotiated by Medicare for the first 10 drugs selected for negotiation:

Drug Name	Negotiated Discount on List Price Of 30-Day Supply	Alabamans on Medicare Who Use Drug
Januvia	79 percent (\$414)	17,000
Fiasp/NovoLog	76 percent (\$376)	12,000
Farxiga	68 percent (\$378)	14,000
Enbrel	67 percent (\$4,751)	1,000
Jardiance	66 percent (\$376)	24,000
Stelara	66 percent (\$9,141)	<500
Xarelto	62 percent (\$320)	21,000
Eliquis	56 percent (\$290)	65,000
Entresto	53 percent (\$333)	12,000
Imbruvica	38 percent (\$5,615)	<500

The Inflation Reduction Act will save senior Alabamans on Medicare over \$131,983,143 cumulatively on prescription drugs. Beginning in 2025, the Biden-Harris administration’s Inflation Reduction Act will save Alabamans an average of \$359.73 thanks to the \$2,000 annual cost cap combined with the \$35 monthly insulin cap and free recommended vaccines. The \$35 monthly insulin cost cap for people on Medicare took effect in 2023 and is helping 29,127 Alabamans who rely on insulin. As of June 30, 2024, 90,535 Alabamans had [already spent](#) at least \$2,000 on their prescription drugs. The Biden-Harris administration has negotiated lower prices for people with Medicare for some of the most popular and costly drugs that will go into effect next year. This is [supported](#) by over 80 percent of Americans.

Over 750,000 Americans have seen their coinsurance costs fall thanks to the inflation rebate. Applying now to nearly 100 different prescription drugs the Medicare inflation rebate has been yet another example of the Biden-Harris administration taking on big drug companies and

winning. The rebate on its own has brought about over [\\$3 billion](#) in savings since 2023 and at least 770,000 Americans have seen a direct reduction in their coinsurance payments.

Health care costs have lowered for over 200,000 Alabamans. A record-breaking 465,463 Alabamans [enrolled](#) in an ACA marketplace plan as of January 8, 2025, and with current trends around [52 percent](#) of enrollees are women. Last year, 366,435 Alabamans, or 98% percent of those with an ACA plan, [received](#) enhanced premium tax credits, making their coverage more affordable and accessible, and that number [follows the trend](#) of increasing year over year. The Inflation Reduction Act [saves](#) an average middle-class family of four in Alabama \$9,637 on their yearly premiums.

Coverage for communities of color has expanded to address health care equity. The Center on Budget Policy and Priorities estimates the increased savings under the Inflation Reduction Act will cause a sharp decline in the uninsured rate across every racial group. The extended premium savings provided in the Inflation Reduction Act have made more than [65 percent](#) of uninsured Black adults eligible for zero-dollar premium plans and [75 percent](#) eligible for plans less than \$50 a month. For uninsured Hispanic and Latino adults, now more than [68 percent](#) are eligible for zero-dollar premium plans and nearly [80 percent](#) can access plans for less than \$50 a month. Health coverage access is imperative to reducing racial disparities in health coverage across the nation.

Premiums for low-wage workers have been eliminated and 281,600 low-income seniors will see extra help through an expanded Low-Income Subsidy. The Inflation Reduction Act ensures no Alabamans with incomes at or below [150 percent](#) of the federal poverty level pay a premium when buying their coverage on the Marketplace. The expansion of the low-income subsidy for those on Medicare will also allow for as many as [661,396 Americans](#) who have no drug coverage but are otherwise eligible for the low-income subsidy to take up the program, lowering out-of-pocket prescription costs by around \$300 per person.

Health care costs have been cut for rural America. Thanks to the provisions in the Inflation Reduction Act, roughly [65 percent](#) of rural Americans have access to zero-dollar premium health coverage and more than [76 percent](#) are able to find a plan for less than \$50 a month, narrowing the coverage differences between rural and urban America.

Over 120,000 Alabamans can now receive free shingles vaccinations, thanks to the Inflation Reduction Act. Thanks to the Inflation Reduction Act, 129,267 of Alabama seniors are eligible for no-cost shingles vaccinations. In 2020, nearly 4 million people with Medicare received the two-part shingles vaccination. With a single shot of Shingrix costing [\\$212](#), seniors on Medicare Part D saved over \$400 on average on vaccinations in 2023. The high out-of-pocket cost of the shingles vaccine has been a key factor in low vaccination rates, especially among Black and Latino communities. This extends an important affordable preventive service to seniors on Medicare.

Better coverage of vaccinations for people on Medicaid benefit over 950,000 Alabamans.

The Inflation Reduction Act also [requires](#) state Medicaid and CHIP programs to cover vaccines recommended by the CDC's Advisory Committee on Immunization Practices without out-of-pocket costs. This will allow an estimated 993,581 Alabamans to gain or maintain access to no-cost shingles vaccines. More accessible vaccinations will particularly help [low-income](#) families who rely on Medicaid, many of whom are people of color and people with disabilities.

The Biden-Harris Administration continues to protect Alabamans with pre-existing

conditions. President Biden [took](#) executive actions to protect Americans with pre-existing conditions from junk insurance plans and surprise medical billing. Republicans in Congress are continuing to put profits over people by passing legislation to change the rules in favor of Association Health Plans (AHPs) that [undermine](#) the ACA. AHPs are not required to have the same protections that ACA plans have. Savings in AHPs come at the expense of people with pre-existing conditions and higher health care costs.