

Thanks to Democrats, Americans Are Paying Less for Prescription Drugs and Health Insurance

Last year, Democrats took action to lower drug costs and bring down health insurance premiums by passing the Inflation Reduction Act (IRA). American households are already feeling the benefits by paying less, with additional savings coming in 2025 and beyond thanks to health policies passed by Democrats. Additional actions by drug companies—following the lead of Congress and President Biden—have also lowered prescription drug and medical device costs for even more Americans.

Older Americans are paying less for prescription drugs because of Democrats' Inflation Reduction Act

America's seniors are saving on prescription drugs thanks to many provisions of the Inflation Reduction Act that have already gone into effect, with more savings on the way.

- Insulin copays are now capped at \$35 a month for Medicare enrollees.
 - About 1.5 million seniors would have [saved](#) an average of \$500 each if this cap had been in effect in 2020.
- Drug companies must now pay a rebate when the prices they charge Medicare rise faster than inflation.
 - In 2023, 47 prescription drugs had inflation rebates under Medicare Part B, meaning that millions of Medicare enrollees [saved](#) as much as \$618 per average dose of these 47 drugs used to treat conditions like cancer, heart conditions, and infections in a given quarter.
- Thanks to Democrats in Congress and President Biden, for the first time ever Medicare can now bargain down the price of certain high-cost prescription drugs.
 - Medicare enrollees [paid](#) \$3.4 billion in out-of-pocket costs in 2022 for the first 10 drugs selected for drug price negotiations. Patients will likely see lower prices on these drugs used to treat conditions like diabetes, heart failure, and blood clots in 2026, with additional medicines subject to negotiation in future years.
- Annual out-of-pocket prescription drug costs will be capped at \$2,000 for Medicare enrollees starting in 2025.
 - This provision is [expected to help](#) nearly 19 million seniors covered by Medicare Part D save an average of \$400 per year when combined with other IRA provisions.
 - About 857,000 women covered by Medicare Part D will [save](#) \$1,000 or more.

Many Americans are paying less for health insurance and seeing more covered benefits because of Democrats' IRA and the American Rescue Plan

Americans are accessing more affordable and expanded coverage options for health insurance.

- Enhanced premium tax credits that make health insurance plans purchased on the Affordable Care Act (ACA) marketplaces significantly more affordable were extended for an additional three years, through 2025.
- ACA marketplace enrollment has [increased](#) every year since 2021, largely driven by these refundable tax credits.
 - A [record](#) of over 21 million people enrolled in an ACA marketplace plan for 2024.
 - These people are [saving](#) on average \$800 per year on their health insurance premiums.
- Medicaid now provides [expanded](#) postpartum coverage in 30 states and the District of Columbia, thanks to Democrats' passage of the American Rescue Plan.
 - About 462,000 women in these states can receive comprehensive coverage after pregnancy for 12 months.

Prescription drug costs have been lowered for even more Americans, while medical devices have become more accessible

Thanks to political pressure from Democrats and actions by the Biden administration, private drug companies have lowered costs for some medications and medical devices such as insulin, inhalers, and hearing aids for Americans not covered by public insurance plans.

- Three [leading pharmaceutical companies announced](#) price caps and savings programs last year following President Biden's call for lowering the cost of insulin to \$35 for all Americans in his State of the Union [address](#).
 - Many Americans can now get insulin for as little as \$35 a month even if they are not covered by Medicare. These three companies have also [lowered](#) prices for many of their other insulin products.
- Following [scrutiny](#) by Congress, three of the four leading inhaler manufacturers [capped](#) out-of-pocket costs for inhalers used to treat asthma and chronic lung disease at \$35.
- Hearing aids are now available over the counter without a prescription or exam for many adults because of a rule issued by the Food and Drug Administration.
 - Many of the 30 million Americans with hearing loss could [save](#) as much as \$3,000 per pair of hearing aids.

While Democrats are taking steps to lower prescription drug costs and insurance premiums, Republicans [support](#) rolling back the cost-saving measures in the Inflation Reduction Act, cutting funding for Medicare and Medicaid, and rolling back the Affordable Care Act

Wealthy drug companies are also [fighting](#) the Biden administration in court as they try to keep prices high and hold onto their sky-high profit margins. Combined, these actions would raise prescription drug costs and jeopardize affordable health insurance coverage for millions of American households.