LOS ANGELES WAVE
VOICES

Coal-fired power plants threaten America's health

By Ben Jealous
Guest Columnist

Tatum is an East Texas town of about 1,300 people, closer to Shreveport, Louisiana, than Dallas. It's on the north shore of Martin Lake.

Across the water sits a coal-fired power plant, named after the lake, that happens to be the single largest sulfur dioxide polluter in the United States.

Jealous

Paulette Goree, who has lived in the area her entire life, gets a daily reminder of the Martin Lake Power Plant.

"I use a personal air monitor every day to figure out if I should spend much time outdoors," she says.

Goree thinks the air pollution contributed to the deaths of family members and the respiratory problems she and her husband have.

A Sierra Club report estimated that, in the two counties surrounding Tatum, coal plant pollution contributes to two premature deaths every year. That's a fraction of the 154 people who die annually, in part, due to what's spewed out of Martin Lake's smokestacks, according to Clean Air Task Force.

It's why Paulette and other volunteers across the United States are fighting for the federal government to enforce clean air standards already on the books and to strengthen those requirements to reflect what technology can do now to make the air breathable again.

Martin Lake in East Texas is home to a coal-fired power plant that has been called the source of significant air pollution. About 150 people living in the nearby community could be assisted by measures to improve the environment.

Courtesy photo

"It just isn't right, and the [Environmental Protection Agency] needs to do better," she said. "It's too late for me and my generation, but we need to improve the air for our younger generations."

It's a fight I've been part of for more than a decade, one that led me to launch the Climate Justice Program at the NAACP. It's still true that these coal-powered killers and other industrial polluters, more often than not, sit in communities of color and where residents have the least economic power. Thankfully, we've been able to get hundreds of those power plants retired.

The unmistakable injustice is that nearly two-thirds of the remaining coal-fired power plants in this country could and would have to address their deadly pollution if we were enforcing and strengthening the Clean Air Act, as the Sierra Club's report showed. Effective pollution-control technology exists.

But instead of taking on the expense of controlling their damage, plants are forcing Americans to bear higher health care costs from coal pollution. We should no longer subsidize coal generation, and the electric bills of some Americans, with the lungs of Americans who live in Tatum or Cheshire, Ohio, or New Madrid, Miss. — anywhere the remaining 158 coal plants operate.

And we don't have to. The cost of coal power-generation is rising while the cost of electricity from renewable solar and wind farms is falling steadily. Only one coal plant nationally operates for less than a clean energy alternative that could replace it.

It's one reason why the historic clean economy funding that President Joe Biden and Congress approved in 2021 and 2022 is vital. We have the money to put an end to coal power, once and for all.

There are 154 people who live downwind of Martin Lake who can't afford a delay of another year. And there are 154 the year after that.

For them it's a matter of life and death. We have proven ways to make the air cleaner and we have a law that demands that. We need to act now.

Ben Jealous is incoming executive director of the Sierra Club, America's largest and most influential grassroots environmental organization, and professor of practice at the University of Pennsylvania.

Expect breakage when interest rates rise quickly

By John Grace
Contributing Columnist

The days of rock-bottom interest rates are in the history books. As investors come to terms with the end of 14 years of cheap, if not free, money, we must come to terms with challenges when financial markets are in spasms.

I have been on my soapbox, encouraging investors to avoid large-dollar purchases, apply active management strategies and greater diversification to their portfolios, and keep excess liquidity in T-Bills. We can all agree that cash is king, which allows those with cash, not equity, to catch the next waves of opportunity that suddenly appear in your lap.

When it comes to equity, please notice how quiet the crickets become. Now may be an opportune time to exploit nosebleed prices and trade equity for cash. Doing so may help you avoid hoping and praying that what you held on to recovers fast enough to prevent regret, the gift that keeps giving.

> Imagine how much less confident consumers would feel about the economy if stimulus money hadn't been dropped out of the sky by the Fed.

Please be wary of the Wall Street pundits and the media, who want you to drink the Kool-Aid, believing that the Fed can overcome every possible hurdle and keep the economy running just fine, not too hot and cold. While starry-eyed investors want everyone to think the U.S. will avoid a recession or worse, and a significant downturn or crash, savvy investors hope for the best and prepare for the worst.

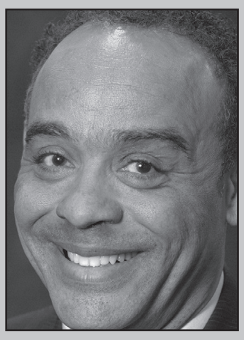
"One of the greatest misconceptions of investors and experts alike is this: The longer a bull market goes, the more sound it is," said Harry Dent at Dent Research.

Fourteen years after the March 2009 stock hit bottom the markets are in the longest run in over a century without a recession.

"What should be much, much more obvious," Dent added, "is that this bull market and economic expansion, since early 2008, have been caused 100% by unprecedented and massive monetary and fiscal stimulus, again with $10,000 combined or near 50% of [gross domestic product] just in the two years after COVID hit."

You are supposed to believe the economy is strong, but in your heart of hearts, you aren't feeling it — and for good reason. Imagine how much less confident consumers would feel about the economy if stimulus money hadn't been dropped out of the sky by the Fed.

We are in the tiny minority of forecasters and financial advisors who see a recession as productive and essential for the economy. Recessions and even depressions aren't the worst things that happen.



John Grace's
On the money

To authentically avoid bad times, the best thing to do is not allow a bubbly or overstimulated boom to occur. What has happened is that the world's central banks, including the Federal Reserve, rode off on a naïve or arrogant horse that we couldn't allow for a recession or depression.

We are in entirely uncharted territory. Given our challenge with an aging population, it would not surprise me that the U.S. follows Japan in the experience of a longer-term "coma economy" with slow growth, at best, and sideways movements in stocks.

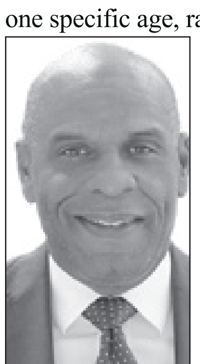
As Dent opined: "Manipulated markets can't be free markets!" Manipulating markets might keep Humpty Dumpty comfortable for a while. It's when walls fall that things get messy.

John Grace is a registered representative with LPL Financial. His On the Money column runs monthly in The Wave. The opinions expressed here for general information only and are not intended to provide specific advice or recommendations for any individual.

Pharmacy middle men drive up out-of-pocket costs

By Steven Bradford and Le Ondra Clark Harvey
Guest Columnists

Mental illness doesn't discriminate. It doesn't single out one specific age, race or gender.



Bradford

Harvey

It's pervasive and touches the lives of nearly everyone. About one in seven California adults experience mental illness, with millions more feeling the impact through a family member or loved one. Make no mistake, the situation is serious — but there is hope.

Improved awareness has led people to feel more comfortable asking for help. Whether that means seeking therapy or taking medication, affordable and quality treatments have made a huge difference in the lives of those living with behavioral health needs. These health care options help patients better perform daily tasks, care for their families, and feel more like themselves.

Despite the positive nature of more people seeking help, significant barriers exist for accessing treatment options, and pharmacy benefit managers are largely to blame.

Pharmacy benefit managers are the middle men within the pharmaceutical industry, setting drug prices, creating formularies, and negotiating rebates. They offer little to no transparency in how they price medications and determine which medicines health insurance companies cover.

Most patients don't even know what a pharmacy benefit manager is, let alone that they have an impact on what medication patients can take and how much it will cost.

It's practically impossible to track the flow of money between the rebates drug manufacturers offer and the list price — what patients pay at the pharmacy counter. However, we do know the average amount of these rebates is 40% off the list price.

> Taking substitute medicines can result in a bevy of issues. And for those living with behavioral health conditions, that can often mean the difference between life and death.

For example, if the list price of a medication is $100, a pharmacy benefit manager may negotiate a rebate of $40. The pharmacy benefit manager and their insurer client then only pay $60 for the medicine, but the patient pays, based upon the $100 list price. This is unfair in our eyes.

Too often, pharmacy benefit managers pocket the rebate savings for themselves instead of sharing them with the patient through lower costs at the pharmacy. In 2021 alone, pharmacy benefit managers in the U.S. negotiated $236 billion in rebates overall with not a dime of that money going to offset the high cost of medications.

In California, a 2021 report from the Department of Managed Health Care found that health plans in the state received $1.7 billion in rebates, up from $1.4 billion in 2020 and $1.2 billion in 2019.

Ultimately, this practice limits healthcare access by driving up medication costs. A February 2020 white paper even found that rising rebates demanded by pharmacy benefit managers are associated with rising list prices for prescriptions.

In addition, these middle men often exclude certain medications from coverage, forcing patients to switch to subpar alternatives that may not be as effective. Taking substitute medicines can result in a bevy of issues, leading to disruptions in treatment or worsening symptoms overall.

And for those living with behavioral health conditions, that can often mean the difference between life and death. Because of these issues, last year the Federal Trade Commission launched an investigation into pharmacy benefit managers' unfair business practices and their impact on pharmacies, doctors and patients.

There are a number of policy solutions to reduce patient costs that won't impede care, one of them being a bill that California Access Coalition is co-sponsoring with the Diabetes Patient Advocacy Coalition and the Patient Pocket Protector Coalition. This legislation, Senate Bill 873, would immediately help Californians better afford their medications by requiring pharmacy benefit managers and their insurer clients to share 90% of negotiated rebates with patients at the pharmacy counter.

This policy is currently being debated in Indiana, Oklahoma, Arkansas, Georgia, Tennessee and Massachusetts, and is already enacted in West Virginia because we know it will not only reduce the price a patient pays for their medication, but also because it will improve medication adherence rates and overall health outcomes.

Despite claims, this type of policy will not increase premiums in a significant way. Even if health insurance companies were required to share 100% of negotiated rebates with patients, premiums would increase, at most, 1% while patients could save up to $800 each year. A national pharmacy benefit manager already began sharing rebates with certain patients and found that patients not only saved an average of $130 per eligible prescription, but that medication adherence rates improved between 4 and 16%.

There is no legitimate reason California health insurance plans and their pharmacy benefit managers shouldn't be doing the same, unless they are making a statement that their profit margin is more important than a person's health.

Sen. Steven Bradford is authoring SB 873 and represents California State Senate District 35. Le Ondra Clark Harvey is executive director of the California Access Coalition.