



News from

Congressman Ron Kind

REPRESENTING WISCONSIN'S THIRD
CONGRESSIONAL DISTRICT

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Cong. Kind Votes for Medicare Price Negotiation to Cut Drug Costs for Seniors & People with Disabilities

Washington, DC – Today, U.S. Rep. Ron Kind (D-WI) voted to cut the cost of health care and improve access to prescription drugs by requiring the Department of Health and Human Services (HHS) to negotiate lower drug prices for Medicare Part D beneficiaries. The legislation, the Bipartisan Rx Drug Negotiating Authority Bill (H.R. 4), passed the House this afternoon by a vote of 255 to 177.

“The 2003 Medicare Prescription Drug Law creating the federal prescription drug program for seniors and people with disabilities included a provision - sought by the large pharmaceutical companies - that prohibited Medicare from negotiating lower drug prices,” stated Kind. “The bill we passed here today repeals this special-interest provision and mandates greater cost savings for Medicare through a common sense practice broadly used by the private sector and other government entities.”

Addressing one of the most problematic aspects of the 2003 Medicare Part D Prescription Drug Law, H.R. 4 requires the HHS Secretary to leverage the bulk purchasing power of 43 million Medicare beneficiaries to achieve lower prescription drug prices, just as the Department of Veterans Affairs does for veteran beneficiaries.

“Currently, the only entity in this country that cannot bargain for lower group drug prices is Medicare,” Rep. Kind said. “The states, Fortune 500 companies, and large pharmacy chains all use their bargaining clout to obtain lower drug prices for the patients they represent. HHS should have the same ability for Medicare beneficiaries.”

Speaking on the House floor, Kind said, “In a moment of unguarded candor as he was stepping down as Secretary of HHS, Tommy Thompson himself said, ‘I would like to have had the opportunity to negotiate’ [*New York Times*, Dec. 4, 2004]. He’s right; the Secretary should have that authority.”

Kind added, “Finally, one has to ask why the pharmaceutical industry is fighting tooth and nail against passage of H.R. 4. I am proud to support this legislation, which corrects the injustice of a law that was written for the drug companies by the drug companies. It is my hope the Senate quickly passes this bill and the President signs it into law.”

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Public opinion polls show that more than 90 percent of the American public believes HHS should have this authority to negotiate for lower drug prices and wants this bill enacted. Organizations supporting the Medicare negotiation legislation include AARP, National Community Pharmacists Association, Association of Community Pharmacists, National Committee to Preserve Social Security and Medicare, Center for Medicare Advocacy, Medicare Rights Center, Leadership Council of Aging Organizations, Families USA, and Consumers Union.