

# PATIENTS FOR AFFORDABLE DRUGS NOW™

FOR IMMEDIATE RELEASE

Sept. 19, 2019

[juliana@p4adnow.org](mailto:juliana@p4adnow.org)

(405) 570-0734

## Statement: Let Medicare Negotiate

*Patients Applaud Bill's Strong Provisions That Will Ensure Lower Prices, Access, and Innovation For All Americans*

**WASHINGTON, DC** — In response to today's release of a bill by House leadership that would lower drug prices for Americans, Ben Wakana, Executive Director of Patients For Affordable Drugs Now, issued the following statement:

"Early details of HR 3 clearly deliver on the promise to break the monopoly pricing power of drug corporations by allowing Medicare to negotiate for lower prescription prices. Importantly, the legislation incorporates key bipartisan priorities like an International Pricing Index, caps on price increases, and an out-of-pocket limit for prescription drug spending. It will lower drug prices for all Americans covered by a government plan or private insurance. HR 3 is a bold step forward."

### **BACKGROUND:**

The plan includes the following key provisions that would:

- **End the ban on Medicare negotiating directly with drug companies** to lower prescription drug prices and empower HHS to negotiate prices for the 250 most costly drugs each year.

- **Ensure that Americans — regardless of insurance type — have access to lower-priced drugs.** A drug corporation would be required to offer the negotiated price to Medicare and private insurance plans. If a drug company overcharges Medicare or fails to offer the fair price to people, it will be subject to a penalty of 10 times the difference between the price charged and the maximum fair price for the drug.
- **Establish a maximum fair price based on an international pricing index.** Americans will pay no more than 120 percent what other wealthy nations pay (Canada, United Kingdom, Germany, France, Australia, Japan) and negotiations could take that price lower.
- **Stop drug companies from increasing prices faster than the rate of inflation,** and impose penalties on drug companies if prices rise above inflation. If a drug company has raised the price of a drug in Medicare Part B or D above the rate of inflation since 2016, it can either lower the price or be required to pay the entire price above inflation back to the Treasury.
- **Cap seniors' out-of-pocket costs for prescription drugs at \$2,000 per year.** Currently, out-of-pocket costs for seniors on Medicare can be over \$15,000 per year.

###

*Copyright © \*2019\* \*Patients For Affordable Drugs Now,\* All rights reserved.*

**Our mailing address is:**

1875 K St. NW  
4th Floor  
Washington, DC 20006

Want to change how you receive these emails?

You can [update your preferences](#) or [unsubscribe from this list](#).