



May 4, 2021

The Honorable Anna G. Eshoo  
Chair  
Subcommittee on Health  
Committee on Energy and Commerce  
U.S. House of Representatives  
Washington, D.C. 20515

The Honorable Brett Guthrie  
Ranking Member  
Subcommittee on Health  
Committee on Energy and Commerce  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Chair Eshoo and Ranking Member Guthrie:

Thank you for holding your hearing today on "Negotiating a Better Deal: Legislation to Lower the Cost of Prescription Drugs." I request that the following statement be entered into the subcommittee's hearing record.

On behalf of the National Committee to Preserve Social Security and Medicare's millions of members, I write to support H.R. 3, the Elijah Cummings Lower Drug Costs Now Act. H.R. 3 would allow the Secretary of Health and Human Services to negotiate the maximum fair price that pharmaceutical manufacturers could charge to Part D enrollees without incurring civil monetary penalty worth 10 times the amount of any overcharge. The reintroduced H.R. 3 would also establish Medicare Parts B and D prescription drug inflation-based rebates, to ward off excessive price hikes for drugs that have not been negotiated.

The National Committee urges you to improve the bill to make more drugs eligible for negotiation. As introduced, H.R. 3 only requires the Secretary to negotiate a minimum of 25 drugs increasing to 50 drugs. While I understand there are bandwidth concerns regarding the Department of Health and Human Services' ability to negotiate more drugs, the National Committee urges you to add language that progressively increases the number of prescription drugs that HHS is required to negotiate over time.

In addition, I call on you to perfect H.R. 3 by reinvesting drug savings into the Medicare program in the form of benefit improvements that will be broadly shared by beneficiaries including hearing, dental and vision coverage (as included in the House-passed H.R. 3 during the 116<sup>th</sup> Congress) and an overall out-of-pocket cap for beneficiaries. We also support other program enhancements included in the 2019 bill, such as Medigap reforms and enhancing low-income subsidies in Part D and the Medicare Savings Programs.

The National Committee supports an out-of-pocket cap on Part D costs as long as it is coupled with policies that reduce underlying drug costs for the Medicare program including restructuring the program to shift more costs to plans and manufacturers in the catastrophic phase in addition to drug negotiation and inflation caps.

We look forward to working with you and your staff on lowering drug costs for beneficiaries and the Medicare program.

Sincerely,

A handwritten signature in black ink that reads "Max Richtman". The signature is written in a cursive, flowing style.

Max Richtman  
President and CEO