

August 31, 2021

Dear Chairman Wyden, Chairman Neal and Chairman Pallone,

We are writing to thank you and your committees for your prior commitments to advancing meaningful prescription drug pricing reform<sup>1,2</sup> as part of fulfilling President Biden's Build Back Better pledge, and to express the importance of such legislation providing significant relief to patients and consumers through establishing a robust system of direct government drug price negotiations and price spike protections.

Medicare drug price negotiations and price spike protections should provide benefits to patients regardless of medical condition, insurance provider, or status. Bold drug price reform legislation would:

- 1) Apply drug price negotiations to an expansive array of prescription drugs – not only those impacted by the very worst pharmaceutical corporation pricing abuses;
- 2) Extend the benefits of drug price negotiations and price spike protections beyond Medicare and its beneficiaries – tens of millions of Americans at the mercy of pharmaceutical corporation price gouging are not covered by Medicare; and
- 3) Generate significant savings, sufficient to reinvest in major reinforcements in health care coverage, including vital improvements to Medicare.

Bold drug pricing reform that meets the level of ambition Americans demand would fulfill promises made consistently and repeatedly by President Biden, Majority Leader Schumer, Speaker Pelosi and a vast array of elected Senators and members of Congress.<sup>3</sup> Legislation passed with near unanimity of House Democrats in 2019 provides a strong baseline for reform. Indeed, the Elijah E. Cummings Lower Drug Costs Now Act (H.R. 3)<sup>4</sup> was the most significant and impactful legislation advanced out of the House to lower drug prices and expand access to medicines in the United States in a generation, perhaps ever.

Conversely, legislation that does not meet these criteria sufficiently would leave unfulfilled numerous pledges to address one of Americans' most pressing priorities.<sup>5</sup> Drug corporations would continue to be allowed to price gouge patients on a wide array of medicines, tens of millions of Americans would remain at the mercy of monopolistic pricing, and other health care priorities would risk being sent to the chopping block due to lawmakers' failure to generate adequate savings for reinvestment.

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<sup>1</sup> <https://www.finance.senate.gov/chairmans-news/wyden-releases-principles-for-lowering-drug-prices-for-americans>

<sup>2</sup> <https://waysandmeans.house.gov/media-center/press-releases/neal-pallone-and-scott-re-introduce-historic-prescription-drug-price>

<sup>3</sup> For example, see <https://www.politico.com/news/2021/08/22/white-house-dems-drug-price-plan-506498> and <https://thehill.com/policy/healthcare/563151-vulnerable-house-democrats-call-for-medicare-drug-price-negotiation-in>

<sup>4</sup> <https://www.congress.gov/bill/116th-congress/house-bill/3/text>

<sup>5</sup> For example, see [https://www.protectourcare.org/wp-content/uploads/2021/04/Fact-Sheet\\_-The-Time-To-Act-Is-Now\\_-Lower-Drug-Prices-For-All-Americans-.pdf](https://www.protectourcare.org/wp-content/uploads/2021/04/Fact-Sheet_-The-Time-To-Act-Is-Now_-Lower-Drug-Prices-For-All-Americans-.pdf) and <https://press.aarp.org/2021-7-8-AARP-Survey-Majority-Older-Americans-Concerned-Affording-Prescription-Drugs>

The United States spends far more than any other country on pharmaceuticals, and the largest purchaser in the world is the Medicare Part D program. High U.S. drug spending is driven by excessive prices charged by prescription drug corporations, which lead to patients rationing treatment due to cost and preventable negative health outcomes, including death. Robust drug price reform would provide patients relief through lower premiums as well as lower out of pocket costs. These savings would be achieved through drug price negotiations on an expansive array of products and price spike protections, the benefits of both of which are provided to Medicare and private payers.

Bold drug pricing reform would generate significant estimated savings, upwards of \$450 billion over 10 years, which can help address other health care needs, including those of Medicare enrollees.<sup>6</sup> Given the challenges seniors and people with disabilities have faced during the COVID-19 pandemic, it is time to deliver the relief they need. Adding an out-of-pocket cap for medical expenses and expanding access to dental, hearing and vision services would go a long way in improving access to needed care. CBO has already estimated that adding dental, hearing, and vision to Medicare would cost less than \$360 billion over ten years. Should drug pricing reform be weakened or not advance at all, these vital improvements may not have funding necessary to be included the reconciliation package. For further detail on these areas of needed health care investment, please see the attached June 16 letter<sup>7</sup> to congressional leadership from many of our groups.

Polling has consistently showed, and the White House rightly has taken note, that robust prescription drug price reform is a top priority for Americans across the political spectrum.<sup>8</sup> In his recent remarks earlier in August, President Biden recognized Congress must act and give Medicare the power to negotiate lower prescription drug prices.<sup>9</sup> Majority Leader Schumer has highlighted Medicare drug price negotiation and putting an end to pharma price gouging as a top Democratic priority for several years, as has Speaker Pelosi.<sup>10, 11</sup> Fulfilling this promise must not be further delayed.

Thank you for your time and attention on this important issue.

Signed,

AIDS Healthcare Foundation  
American Federation of Teachers  
Americans for Democratic Action, Southern California  
Center for Popular Democracy  
Church World Service  
Congregation of Our Lady of Charity of the Good Shepherd, U.S. Provinces  
Consumer Action  
Doctors For America

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<sup>6</sup> <https://www.cbo.gov/publication/55936>

<sup>7</sup> Also attached below: [https://www.citizen.org/wp-content/uploads/100Org-Letter\\_Include-Bold-Drug-Pricing-Reform-and-Medicare-Improvement-and-Expansion-in-American-Families-Plan-1.pdf](https://www.citizen.org/wp-content/uploads/100Org-Letter_Include-Bold-Drug-Pricing-Reform-and-Medicare-Improvement-and-Expansion-in-American-Families-Plan-1.pdf)

<sup>8</sup> In addition to previously cited polling resources, see <https://cdn1.sph.harvard.edu/wp-content/uploads/sites/94/2021/01/Politico-HSPH-Jan-2021-PollReport.pdf> Prior polling in this series consistently shows federal government action to lower prescription drug prices as a top priority across party identifications.

<sup>9</sup> <https://www.whitehouse.gov/briefing-room/speeches-remarks/2021/08/12/remarks-by-president-biden-on-how-his-build-back-better-agenda-will-lower-prescription-drug-prices/>

<sup>10</sup> <https://www.nytimes.com/2017/07/24/opinion/chuck-schumer-employment-democrats.html>

<sup>11</sup> <https://www.speaker.gov/newsroom/51018-4>

Families USA  
Health Care Justice--NC  
Health Care Voices  
Indivisible  
MoveOn  
Nashville Indivisible  
National Advocacy Center of the Sisters of the Good Shepherd  
NETWORK Lobby for Catholic Social Justice  
Office of the Health Care Advocate, Vermont Legal Aid  
Our Revolution  
Our Revolution New Jersey  
PrEP4All  
Prescription Justice  
Progressive Democrats of America  
Public Citizen  
Social Security Works  
T1International  
Tennessee Health Care Campaign  
The National Women's Health Network  
U.S. PIRG  
United Electrical, Radio & Machine Workers of America (UE)  
Voices for Progress  
Western Front Indivisible

Cc: Senate Finance Committee Members  
House Ways and Means Committee Members  
House Energy and Commerce Committee Members  
House Education and Labor Committee Members  
Majority Leader Schumer  
Speaker Pelosi  
Chairwoman Murray

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**Addendum – Letter to Congressional and Committee Leadership:**

**Include Bold Drug Pricing Reform and Medicare Improvement and Expansion in American Families Plan**

June 16, 2021

Dear Majority Leader Schumer, and Speaker Pelosi,

The time has come to deliver for America’s seniors, people with disabilities and people approaching retirement. The undersigned organizations representing diverse interests, including consumer safety, public health, business, faith-based, racial justice and labor organizations, are calling on the Biden Administration and Congress to include robust Medicare drug price negotiation in the American Families Plan package and to reinvest significant savings from negotiations the Medicare program, alongside other critical investments in health equity, coverage, and affordability. By using the savings to improve

dental, vision, and hearing services, capping out-of-pocket costs, lowering the Medicare eligibility age, and taking other bold steps to improve our nation's health, the Biden administration and Congress would be delivering on key promises and improving the lives of millions. The American Families Plan must center the needs and priorities of BIPOC communities and expanding Medicare would help to increase coverage and access to care for communities of color who are disproportionately uninsured or underinsured.

The United States spends far more than any other country for pharmaceuticals, and the largest purchaser in the world is the Medicare Part D program. High U.S. drug spending is driven by excessive prices charged by prescription drug corporations, which lead to treatment rationing and preventable negative health outcomes, including death. Enacting a robust system of direct government drug price negotiation and price spike protections that provides relief to patients regardless of medical condition, insurance provider or status will save lives and prevent suffering and financial hardship for families across the nation. Advancing the strongest reform possible is not only the right thing to do in its own right, but stronger reform also has potential to provide greater savings for reinvestment. Conversely, any weakening of drug pricing reform would reduce savings. Bold drug pricing reform will support building a healthier America, as well as produce hundreds of billions of dollars in savings to reinvest in bolstering coverage.

With these significant estimated savings, upwards of \$450 billion over 10 years, it is a crucial time to address other needs of Medicare enrollees. Given the challenges seniors faced during the COVID-19 pandemic, it is time to deliver the relief they need. Coming out of the crisis, many seniors will need additional services. Adding an out-of-pocket cap for medical expenses and expanding access to dental, hearing and vision services in the American Families Plan would go a long way in improving access to needed care. CBO has already estimated that adding dental, hearing, and vision to Medicare would cost less than \$360 billion over ten years.

In addition, by expanding access to Medicare to Americans 50 and older, the Biden administration and Congress could deliver crucial progress on expanding health care. Medicare has achieved universal coverage for Americans 65 and older, while the uninsured rate for adults 50-64 is 10.5 percent. Americans approaching retirement age have faced significant job loss as a result of the recession brought on by the pandemic and are at a particular disadvantage in states that have refused to expand Medicaid, leaving low-income Americans in those states particularly at risk of going without coverage and needed care. And given that most people experience increased medical needs as they age, lacking insurance at such a crucial time can mean financial ruin.

Far too many Americans continue to struggle to get the care and medicine they need when they need it. Establishing government drug price negotiations and price spike protections will provide countless Americans with relief and put an end to treatment rationing. Expanding Medicare to those 50 and older would mean giving the peace of mind that Medicare enrollees already have to 63 million additional Americans, while expanding it to only adults 60 and older would expand eligibility for Medicare to an additional 20 million Americans. Now is the time for action to lower drug prices and improve access to care for millions.

We thank you for your attention on this crucial issue.

Signed,

ACA Consumer Advocacy  
African American Health Alliance  
AIDS Healthcare Foundation  
Allergy & Asthma Network  
American Indian Health Commission for WA State  
American Postal Workers Union, AFL-CIO  
American-Arab Anti-Discrimination Committee (ADC)  
Americans for Democratic Action, Southern California Chapter  
Association of Flight Attendants-CWA  
Bayard Rustin Liberation Initiative  
Be A Hero Action Fund  
Blue Future  
Business Leaders for Health Care Transformation  
California Alliance for Retired Americans  
Center for Independence of the Disabled, NY  
Center for LGBTQ Economic Advancement & Research (CLEAR)  
Center for Popular Democracy  
Church World Service  
Citizen Action of Wisconsin  
Coalition of Labor Union Women, AFL-CIO  
Coalition on Human Needs  
Communications Workers of America  
Communities United (MD)  
Congregation of Our Lady of Charity of the Good Shepherd, US Provinces  
Consumer Action  
Doctors for America  
Empowering Pacific Islander Communities (EPIC)  
Faith Action Network – Washington State  
Families USA  
Health & Medicine Policy Research Group  
Health Care is a Human Right WA  
Health Care Voter  
Healthcare-NOW  
Hometown Action  
Hoosier Action  
In the Public Interest  
Indivisible  
Indivisible Georgia Coalition  
Indivisible MN03  
International Community Health Services  
International Federation of Professional and Technical Engineers (IFPTE)  
International Union, United Automobile, Aerospace & Agricultural Implement Workers of America (UAW)  
Iowa Citizens for Community Improvement  
Jane Addams Senior Caucus  
Justice Democrats  
Maine People's Alliance  
Marked By COVID

Metro New York Health Care for All  
Midwives for Universal Health Care  
MomsRising  
MoveOn  
Nashville Indivisible  
NASTAD  
National Advocacy Center of the Sisters of the Good Shepherd  
National Equality Action Team (NEAT)  
National Nurses United  
National Organization for Women  
National Resource Center on Domestic Violence  
National Union of Healthcare Workers  
National Women's Health Network  
NETWORK Lobby for Catholic Social Justice  
North Seattle Progressives  
ONE Northside  
Our Maryland  
Our Revolution  
Partners for Dignity & Rights  
Partners In Health  
People's Action  
Physicians for a National Health Program – Washington  
Plymouth Area Indivisible (MN)  
Progressive Democrats of America  
Protect Our Care  
PSARA (Puget Sound Advocates for Retirement Action)  
Public Advocacy for Kids (PAK)  
Public Citizen  
R2H Action (Right to Health)  
Retired Public Employees Council of WA  
Rights & Democracy NH &VT  
RootsAction.org  
San Francisco AIDS Foundation  
Seattle King County-NAACP  
Service Employees International Union (SEIU)  
Social Security Works  
South Carolina AFL-CIO  
Sunrise Movement  
TakeAction Minnesota  
Tennessee Health Care Campaign  
The Episcopal Church  
The Latino Medical Student Association  
Treatment Action Group  
UNITE HERE Local 11  
United Church of Christ, Justice and Witness Ministries  
United Electrical, Radio & Machine Workers of America  
United Vision for Idaho  
Universal Health Care Foundation of Connecticut

Virginia Organizing  
Voices for Progress  
Washington Community Action Network  
Washington State Alliance for Retired Americans  
West Virginia Citizen Action  
Western Front Indivisible

Cc: Rep. Frank Pallone (Chair, Energy and Commerce Committee, U.S. House of Representatives), Rep. Ritchie Neal (Chair, Ways and Means Committee, U.S. House of Representatives), Sen. Ron Wyden (Chair, Finance Committee, U.S. Senate), and Sen. Patty Murray (Chair, Health, Education, Labor and Pensions Committee, U.S. Senate)