



# Durbin, Schakowsky Introduce Legislation to Lower Drug Costs in Medicare Through Price Negotiation & Competition

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WASHINGTON – U.S. Senator Dick Durbin (D-IL) and U.S. Representative Jan Schakowsky (D-IL-09) today introduced legislation that would increase competition and help lower drug costs for seniors and persons with disabilities who are enrolled in the Medicare Part D prescription drug program. The *Medicare Prescription Drug Savings and Choice Act* would empower the Secretary of Health and Human Services to negotiate for lower prescription drug prices through the creation of Medicare-administered prescription drug plans to compete with the expensive, privately administered prescription drug plans currently offered under Medicare Part D.

“For more than fifty years, Medicare has been not just a safety net, but a lifeline for millions of Americans,” Durbin said. “Our bill would help build on that legacy by lowering costs for prescription drug plans under Medicare Part D. Introducing more competition for plans, and giving Medicare the authority to negotiate on behalf of its beneficiaries is the right prescription for real savings on drug prices for America’s seniors.”

“Allowing the federal government to negotiate with drug companies is the most effective way to protect consumers from Big Pharma’s predatory price gouging. Senator Durbin and I have introduced this legislation since 2011 to bring down drug prices for seniors and individuals with disabilities who rely on Medicare Part D to survive,” said Schakowsky. “Our new Democratic Majority in the House of Representatives is championing negotiation through H.R. 3, and this bill will bolster those efforts and put additional pressure on Senator McConnell to take bold action around our nation’s prescription drug pricing crisis.”

The legislation would help protect seniors and individuals with disabilities by providing an alternative to the confusing private prescription drug plans, marketing practices, and formulary changes that have made deciphering among Part D plans very difficult. The prescription plan – or plans – administered by Medicare would not eliminate the private plans that are currently offered but, by providing competition, would lower drug costs in private plans as well.

Key provisions of the *Medicare Prescription Drug Savings and Choice Act* include:

- The Medicare-operated drug plan(s) would be available nationwide with a uniform monthly premium.
- The Secretary would negotiate with drug companies on the prices of drugs provided through the Medicare-operated drug plan(s), in part by assessing the price paid for drugs in other countries.
- The Agency for Healthcare Research and Quality would assess the clinical effectiveness and safety of drugs, and help promote value and quality.
- An Advisory Committee would ensure patients access the medications they need, and an efficient appeals process would be established to empower patients and reduce administrative burdens. No former senior executive or registered lobbyist from a drug manufacturing company may serve on this Committee.

Along with Durbin, the legislation is also cosponsored by U.S. Senator Sherrod Brown (D-OH).