October 29, 2018

The Honorable Mitch McConnell
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Charles Schumer
Minority Leader
United States Senate
Washington, DC 20510

The Honorable Paul Ryan
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
Washington, DC 20515

Dear Leader McConnell, Leader Schumer, Speaker Ryan and Leader Pelosi:

The undersigned organizations representing healthcare providers, patients, public health experts, businesses, workers, people of faith, women, consumers, and Medicare beneficiaries are committed to advancing public health and promoting access to affordable medicines. Together, we are writing to call on you to reject any measures that would increase drug costs for consumers, including rolling back the provisions in the Bipartisan Budget Act of 2018 (BBA) that make brand-name prescription drugs more affordable for people with Medicare.

In February, as part of the bipartisan budget deal reached in Congress, policymakers agreed to lower prescription drug costs for seniors and people with disabilities by increasing the discounts the pharmaceutical industry must provide for drugs purchased in the Medicare Part D donut hole from 50 percent to 70 percent, beginning in 2019. That increased discount is projected to result in lower federal government and beneficiary spending for prescription drugs in Part D through lower premiums and reduced out-of-pocket costs.

This is a modest step towards providing relief for Medicare beneficiaries, many of whom struggle to afford needed medicines. The average older American takes 4.5 brand name prescription drugs on a chronic basis, the prices of which have been routinely rising at a rate that outpaces inflation for the last decade. Ever-increasing spending on prescription drugs is being driven by high prices on brand name drugs set by prescription drug companies. As a result, nearly one in four Americans report that they or another family member have not filled a recent prescription because of cost.

Every day, people with Medicare face impossible choices between purchasing the medicines they need and being able to afford other necessities of life, like paying the rent or the mortgage and putting food on the table. Lessening beneficiary prescription drug affordability by rescinding the BBA’s donut hole changes—only to provide a $4 billion windfall to the pharmaceutical industry—would be a deeply concerning retreat from the progress that Congress achieved in enacting those reforms earlier this year.

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1 “Donut hole” is the common nomenclature for the Medicare Part D coverage gap, the period in Part D coverage after the beneficiary passes the initial coverage limit and before reaching the catastrophic coverage threshold, wherein the beneficiary has faced increased out-of-pocket costs. The Affordable Care Act included provisions to close the donut hole over time, bringing beneficiary out of pocket costs into alignment with those in the initial coverage period.
We call on you to protect these important advances—to prioritize older adults and people with disabilities—not the prescription drug companies. Please do not decrease the pharmaceutical industry’s donut hole discount.

Sincerely,

Public Citizen  
Families USA  
Medicare Rights Center  
Social Security Works  
Aging Life Care Association  
AIDS Healthcare Foundation  
Alliance for Retired Americans  
American Federation of Teachers  
American Medical Student Association  
American Muslims Health Professionals  
B'nai B'rith International  
Business Initiative for Health Policy  
Center for American Progress  
Center for Medicare Advocacy  
Center for Popular Democracy Action  
Chronic Illness Advocacy & Awareness Group  
Community Catalyst  
Consumer Action  
Consumers Union  
Gray Panthers  
Health Care for America Now  
International Association of Machinists and Aerospace Workers  
Justice in Aging  
Labor Campaign for Single Payer  
Latinos for a Secure Retirement  
National Association of Area Agencies on Aging  
National Association of Social Workers  
National Center for Health Research  
National Committee to Preserve Social Security and Medicare  
National Health Law Program  
National Organization for Women  
National Physicians Alliance  
National Women's Health Network  
NETWORK Lobby for Catholic Social Justice  
People Demanding Action  
People of Faith for Access to Medicines  
People's Action  
Physicians for a National Health Program  
Raising Women's Voices for the Health Care We Need  
Service Employees International Union (SEIU)  
THE BETES  
Treatment Action Group  
UNITE HERE  
Voices for Progress

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