United States Senate

WASHINGTON, DC 20510

July 11, 2019

The Honorable Chuck Grassley
Chairman
Committee on Finance
United States Senate
219 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Ron Wyden
Ranking Member
Committee on Finance
United States Senate
219 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Grassley and Ranking Member Wyden:

We write in regards to the Senate Finance Committee's efforts to address the high cost of prescription drugs. It is time for this Committee to take action and pass a set of bold legislative measures that provides Medicare and Medicaid with the tools and authority necessary to address each component of the drug supply chain and meaningfully reduce the cost of prescription drugs for all Americans.

The majority of Americans believe that the cost of prescription drugs is unreasonable, and more than 80 percent of seniors across party lines support giving the government the authority to negotiate prices in Medicare, especially for high-cost drugs with no competition. While we are encouraged by the Committee's ongoing bipartisan efforts to lower the price of prescription drugs and update Medicare's prescription drug benefit, we are concerned that the proposals currently under discussion may not go far enough in reducing the cost of prescription drug for all of our constituents. We stand with our constituents and urge you to include bold proposals that will both bring down drug prices for individuals and taxpayers.

We all agree that prescription drugs can work wonders – curing disease and helping those with chronic illnesses lead longer, healthier lives. However, none of these advancements in pharmaceuticals have value if patients are either unable to afford them or go bankrupt paying for them. All parties in the prescription drug supply chain should be a part of the solutions advanced by the Finance Committee and, ultimately, those solutions must meaningfully lower prices, enhance affordability, protect consumers from unjustified price increases, and preserve access across both Medicare and Medicaid.

This Committee has ensured the federal government is positioned to secure fair payment and patient access, from hospitals and providers to medical devices and laboratory services. Together, we have given the Secretary of HHS the authority to control costs across Medicare and Medicaid – from supporting passage of MACRA to encouraging other value-based care initiatives. When it comes to prescription drugs, however, Congress has failed to provide the Secretary of HHS with a similar set of tools to manage drug prices in the nation's two largest health programs. For instance, under current law, Medicare is constrained by the whims of the supply chain and unchecked price increases when reimbursing for prescription drug coverage, especially for sole source drugs. We have essentially handed pharmaceutical companies, private insurers, and pharmacy benefit managers a blank check and asked them to write in the cost of doing business. As President Trump has said, "the government pays whatever price the drug companies set."

Among other reforms, we are ready for this Committee to assert its jurisdiction over this issue and provide the Secretary of HHS with the authority to obtain fair prices within Medicare and improve access to affordable drugs in Medicaid. Our constituents should not have to rely on Executive Action or negotiations by other countries to lower the prices of prescription drugs here in the U.S. Instead of outsourcing negotiations to other countries, the Secretary of HHS should guarantee and enforce reasonable prices on behalf of the more than 100 million beneficiaries in Medicare and Medicaid right here at home.

We share your commitment to a future where all Americans can access lifesaving treatments when they need them, and we remain encouraged by the Committee's bipartisan approach to the challenge of prescription drug prices. It is time for solutions that prioritize patients over the profits of drug companies, middlemen, and insurance companies. We hope to support a final product that ensures meaningful changes to the status quo and will truly make a difference in the lives of our constituents.

Sincerely,

Sherrod Brown
United States Senator

Debbie Stabenow
United States Senator

Maria Cantwell
United States Senator

Thomas R. Carper
United States Senator

Benjamin L. Cardin
United States Senator

Michael F. Bennet
United States Senator

Robert P. Casey, Jr.
United States Senator

Mark R. Warner
United States Senator

Sheldon Whitehouse
United States Senator

Margaret Wood Hassan
United States Senator

Catherine Cortez Masto
United States Senator