

December 14, 2006

SCHAKOWSKY, DURBIN JOIN SENIORS, ADVOCATES TO CALL FOR MEDICARE PRICE NEGOTIATION AND AN END TO THE DONUT-HOLE

"IN 100 HOURS WE WILL REQUIRE MEDICARE TO LOWER DRUG PRICES"

CHICAGO, IL-U.S. Representative Jan Schakowsky (D-IL) today joined U.S. Senator Dick Durbin, seniors and people with disabilities, and advocates, for a roundtable discussion to highlight the need for Medicare to negotiate for lower-cost prescription drugs. "Under the Republican-passed Medicare Part D program, seniors are left crossing their fingers and hoping they won't fall into the donut-hole, the gap in coverage where they keep paying premiums and receive no benefit," said Schakowsky. "In the first 100 hours of the new Congress, Democrats will remove the prohibition that President Bush and the Republican Congress imposed and require that Medicare negotiate with the prescription drug companies for lower drug prices, much as the VA does."

According to experts at the Center for Economic and Policy Research, Medicare negotiations could save \$100 billion a year, lower prices, and produce savings to make benefit improvements - like filling in the donut hole. This year's donut-hole coverage gap is \$2850. Next year, it will be \$3,051. Unless Congress requires savings through Medicare price negotiation to fill in the donut hole, each year senior citizens and people with disabilities will face higher and higher drug costs.

"The law as it stands today was written by and for the pharmaceutical companies," Schakowsky continued. "We need a program that makes beneficiaries the top priority. All of us believe that we need an affordable drug benefit in Medicare but all of us believe that the Part D benefit is too complicated, too expensive, and too limited. When the 110th Congress convenes on January 4, House Democrats are going to take action to fix the current benefit. In our '6 for 06,' 100 hour agenda, we are going to require that Medicare negotiate for drug discounts. This is the first, most important step in making prescription drugs affordable."

Both Durbin and Schakowsky have proposed legislation they will re-introduce in the 110th Congress to require that Medicare use its bargaining power to negotiate for lower-cost drugs,

and Medicare to offer a plan in each market.

"We need to enact Senator Durbin's bill, which I have sponsored in the House along with Rep. Marion Berry, to create an affordable drug benefit in Medicare," Schakowsky continued. "Senior citizens and disabled people on Medicare are finding out already that there are major changes in Part D plans from 2006 to 2007 - higher premiums, different drugs, changes in cost-sharing. With a Medicare-administered plan, we can provide an option that will provide security and a guarantee of coverage. "

As a Chief Deputy Democratic Whip in the incoming Majority, Schakowsky will be responsible for helping to ensure passage of the Democrats "6 for '06" agenda, which includes price negotiation under Medicare.