

May 12, 2003

Dear Representative:

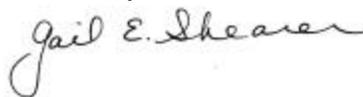
As you consider legislation to provide Medicare beneficiaries relief from skyrocketing expenditures for prescription drugs, we urge you to provide a meaningful prescription drug benefit and strengthen Medicare so that it will continue to serve the nation's seniors and disabled.

Specifically, we urge you to enact legislation that:

- ***Guarantees that all Medicare beneficiaries will have access to an affordable prescription drug benefit, with a generous uniform benefit.*** Medicare beneficiaries should not have to sacrifice their freedom of choice of doctor in order to get affordable coverage for their prescriptions.
- ***Reins in prescription drug expenditures by speeding the introduction of generics and assuring that taxpayer dollars are used to purchase the most cost-effective medications.*** The last thing that taxpayers need is a bill that is a blank check payable to the pharmaceutical industry. Assuring greater value for prescription drug dollars will help reduce the out-of-pocket costs for all seniors and disabled, even in expenditure ranges that are not directly subsidized by the new program.
- ***Builds prescription drug coverage into Medicare, so that prescription drugs are treated like other needed health care services such as doctor visits and hospital stays.*** A workable framework that strengthens Medicare is essential. A separate drug benefit offered on a voluntary basis by a reluctant insurance industry is a recipe for disaster since it will fail to deliver the relief desperately needed.

H.R. 1199, the "Medicare Rx Drug Benefit and Discount Act of 2003" goes a long way toward meeting the needs of seniors and the disabled. Its moderate cost-sharing, limitation on out-of-pocket drug expenses, and guarantee of benefits would provide beneficiaries with affordable coverage. Its provisions to rein in prescription drug expenditures by speeding introduction of generics and through a pricing structure that encourages beneficiaries to use cost-effective drugs would help assure that taxpayer funds are spent carefully. The addition of a provision for more objective analysis of the comparative effectiveness of medicines, in order to help pharmacy contractors build sound evidence-based preferred drug lists, would further strengthen the bill.

Sincerely,



Gail Shearer
Director, Health Policy Analysis
Washington Office
Consumers Union