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CHAIRMAN FRANK PALLONE, JR. | 116TH CONGRESS

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Pallone Opening Remarks at Markup of Lower Drug Costs Now Act and Bills to Strengthen Medicare Benefits

Washington, D.C. – *Energy and Commerce Chairman Frank Pallone, Jr. (D-NJ) delivered the following opening remarks today at a Full Committee markup of the Lower Drug Costs Now Act and bills to strengthen Medicare coverage for beneficiaries:*

Today we are continuing with this Committee’s important work to make prescription drugs more affordable for consumers by stopping drug companies from ripping off Americans.

First, we’ll consider the Lower Drug Costs Now Act, which I introduced along with Chairmen Neal and Scott. Our legislation finally gives the federal government the ability to negotiate lower prescription drug prices with drug companies. It’s only fair. The American people, both Republicans and Democrats, are rightfully outraged that they are paying three, four or ten times more for the same drugs than people are paying in other countries. It’s time we finally negotiate a better deal for the American people. The legislation also caps Medicare Part D beneficiaries’ out-of-pocket expenses at \$2,000 per year.

We have made some key changes to the bill since our legislative hearing based on feedback from members that will provide even more relief to Americans struggling with skyrocketing drug prices. These changes include:

- a phased-in increase of the minimum number of drugs the HHS Secretary must negotiate;
 - a guarantee that a negotiated drug price will remain in place until there are two or more generic competitors;
 - a new provision to negotiate prices for newly launched drugs;
 - And a new title on drug transparency that is based on Rep. Schakowsky’s FAIR Drug Pricing Act.
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This transformative legislation will level the playing for American patients and taxpayers, while ensuring seniors never lose access to the prescriptions they need.

The non-partisan Congressional Budget Office found that the cost-savings from drug negotiations alone will save taxpayers \$345 billion in Medicare Part D spending. And the Office of the Actuary found that the bill will save American households \$158 billion while saving private businesses \$46 billion. These tremendous savings confirm that this bill fulfills our commitment to lowering prescription drug costs for Americans.

The Committee will also mark up four bills to strengthen Medicare coverage for beneficiaries by reinvesting some of the savings from drug negotiation. We will markup three bills that collectively add new vision, hearing and dental benefits to seniors through Medicare Part B. I commend my Committee colleagues, Reps. O'Halleran, Dingell and Kelly, for their leadership on these measures. I also want to thank Rep. Barragan who has been a leader on dental coverage in Medicare as well.

We will also consider the Helping Seniors Afford Health Care Act, which would increase eligibility levels for the Medicare Savings Program. This important program helps low-income seniors afford premiums and cost-sharing, and I thank Rep. Blunt Rochester for her leadership on this legislation.

Taken together these bills will make great strides toward reining in the soaring costs of prescription drugs and improving the quality of health care for Americans. I commend all of the members and staff for their work in helping us get these bills ready for markup today, and I hope that they receive the strong bipartisan support they deserve.

I now recognize the Ranking Member of the Full Committee, Ranking Member Walden, for three minutes.

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