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February 27, 2013

The Honorable Dick Durbin 711 Hart Senate Office Building Washington, DC 20510

The Honorable Jan Schakowsky 2367 Rayburn House Office Building Washington, DC 20510

Dear Senator Durbin and Representative Schakowsky:

On behalf of the Medicare Rights Center, I am writing to express our support for the *Medicare Prescription Drug Savings and Choice Act of 2013*. We commend this effort to improve the beneficiary experience through simplified administration of the Medicare Part D program. Further, we believe that securing lower drug prices must be a part of any legislative effort to achieve Medicare savings. This legislation exemplifies these principles.

The legislation would create one or more Medicare-administered prescription drug plans, with a uniform premium and a vetted formulary designed to ensure safety, appropriate use and high value care. Adding a public drug benefit to the Part D program would diminish confusion among beneficiaries who now must navigate a complicated maze of private health plans and year-to-year formulary changes. In addition to enhancing beneficiary choice, a Medicare-administered plan has the potential to create federal savings through simplified administrative procedures.

At the same time, the legislation adds to the tools available to the federal government to control the cost of pharmaceutical drugs in Medicare. Under current law, the U.S. Secretary of Health and Human Services is expressly prohibited from negotiating Medicare drug prices. Private prescription drug plans alone bear the responsibility of negotiating with drug manufacturers. Authorizing the Secretary to negotiate, coupled with a public drug benefit, has the potential to bring down drug prices.

In addition to strengthening the long-term sustainability of the Medicare program, lower pharmaceutical prices could enhance the financial security of people with Medicare through reduced premiums and cost sharing. Saving costs on prescription medications would be particularly meaningful

to the 25 million older adults and people with disabilities—half of the Medicare population—living on annual incomes of \$22,000 or less.

We welcome the opportunity created by the legislation to improve the Medicare Part D appeals process. The current system is riddled with administrative barriers that cause many people with Medicare to forego filling needed prescriptions. A streamlined, more transparent appeals system is needed to ensure that beneficiaries have access to medically necessary medications.

For these reasons, we strongly support the *Medicare Prescription Drug Savings and Choice Act of 2013*. Thank you for your leadership.

Sincerely,

Joe Baker President