

West Virginians United for Social & Economic Justice

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Report: West Virginia Taxpayers Could Save \$226 Million Annually if Medicare Negotiated Drug Prices

Senators Byrd and Rockefeller Urged To Save \$30B Nationally

CHARLESTON— West Virginia taxpayers would save \$226 million in prescription drug costs if the federal government were directed to negotiate with pharmaceutical companies over Medicare prescription drug prices, according to a new report released today by West Virginians United, a large statewide grassroots coalition.

The report, prepared by the Institute for America's Future, found that negotiations would save older people in West Virginia about \$75 million a year in cheaper drugs and save West Virginia taxpayers \$150 million a year by lowering the government costs under Medicare Part D. It is also possible to save West Virginia taxpayers another \$36 million in administrative costs by restructuring the prescription drug benefits program.

“Price negotiation helps America keep its commitment to quality, affordable health care for all by guaranteeing Americans on Medicare access to the medicines they need – with public savings too enormous to ignore” said Gary Zuckett, executive director of WV Citizen Action Group. “Members of Congress face a clear choice: side with West Virginia patients and taxpayers, or further enrich drug industry lobbyists.”

With more than 85 percent of the country favoring the use of Medicare's collective bargaining power to lower prescription drug prices and with a potential savings of \$30 billion per year, Americans are urging Congress to eliminate a controversial provision in The Medicare Modernization Act of 2003 that prohibits the government from interfering in negotiations between Part D plan participants and drug makers. House Democrats, led by Speaker Nancy Pelosi, were joined by several Republicans in passing legislation to remove the provision in January. Now Senate leaders are pushing for a vote on similar legislation next week.

“The unnecessary costs of the Medicare Part D program to seniors and taxpayers is unconscionable from both a human needs and a fiscal responsibility standpoint,” said Rick Wilson, director of the AFSC WV Economic Justice Project

"Let's join together in unison and with one voice tell the President that fixing Part D is long overdue. It's Costly, Confusing and Corrupt thanks to the Pharmaceutical and Insurance Companies writing legislation that helped themselves with no concern for our seniors or tax payers. Cost containment through negotiated pricing of drugs and the administration of Part D by Medicare is a reasonable step to eliminate the three C's" said Larry Matheney, Secretary-Treasurer of the WV AFL-CIO.

“Clearly senior citizens would be better off if congress removed the prohibition in the federal government to negotiate for prescriptions drug prices. The sooner they remove this absurd prohibition the better, “ said Perry Bryant, executive director of West Virginians for Affordable Health Care.

“Part D has been a disaster for our retirees, especially regarding the donut hole. Giving the government the ability to negotiate for lower drug prices would not only help our members and retirees, but all West Virginians,” said Randy Moore, staff representative of the United Steelworkers of American District 8.

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West Virginians United is an issue driven, non-partisan, progressive coalition of grassroots organizations that have come together to build the infrastructure for a permanent movement for social, economic and environmental justice.