August 5, 2022

Dear Members of Congress,

Congress can make history in the next week by passing the most expansive and powerful reforms to help Americans afford prescription drugs since enactment of the Medicare Part D benefit in 2003. On behalf of more than 75 organizations representing patients, consumers, seniors, unions, small businesses, employers, physicians, nurses, and disease advocacy and human rights organizations, we urge the Senate to immediately pass the *Inflation Reduction Act*.

The legislation is truly historic because for the first time ever it will:

- Require Medicare to negotiate directly with pharmaceutical corporations for lower drug prices a reform that has been sought for almost 20 years;
- Discourage drug companies from increasing their prices faster than the rate of inflation, a reform that has special importance right now as we seek to curb the rising cost of everyday expenses;
- Cap annual out-of-pocket costs for Medicare beneficiaries at \$2,000 when they are currently unlimited and can run to more than \$15,000 and expand the Part D low-income subsidies by expanding the income threshold for eligibility from 135 percent to 150 percent of the federal poverty level.

In a time of great division in our nation this legislation has overwhelmingly bipartisan support. More than 70 percent of Republicans, Democrats, and independents back each of these reforms, which have consistently been the most popular element under discussion for reconciliation. Congress can pass these drug pricing reforms before the August recess and move the nation in a new direction, providing savings to patients, taxpayers, workers, and employers. CBO estimates savings of almost \$300 billion to the Federal government alone.

Rising prices are a <u>top concern</u> for American families and employers. Undeterred by the financial hardship and health challenges facing Americans today as a result of the pandemic, drug companies have already raised the prices of their products <u>almost 1,200 times</u> in the first seven months of the year — more than in the same period in 2020 and 2021.

Congress must seize this opportunity to stop the pharmaceutical industry from overcharging Americans with astronomical prices for brand-name drugs. Patients, workers, employers, and taxpayers should not continue to shoulder the burden of prices in this country that are <u>nearly three times</u> what people in other comparable nations pay.

Congress can make history in the next week. Pass the *Inflation Reduction Act* and send it to the President for his signature. Not only will it break the pharmaceutical industry's unilateral power to dictate prices to the American people, it will save lives, improve health, curb the impact of inflation, and put more money back into the pockets of American seniors, workers, and businesses.

Congress has repeatedly promised to address this problem, and the American people need the help now more than ever.

## Signed:

**AARP** 

AFGE Local 704

AHEC West (Maryland Area Health Education Center West)

AIDS Healthcare Foundation

Alliance for Retired Americans

Alliance of Community Health Plans

American Academy of Neurology

American Federation of Teachers

Black Health Commission

Blue Shield of California

**Building Back Together** 

Campaign for a Family Friendly Economy

Centennial State Prosperity

Center for American Progress

Center for Popular Democracy

Children's Action Alliance

Colorado Consumer Health Initiative

Committee to Protect Health Care

Communications Workers of America

Community Catalyst

**Consumer Action** 

**COVID Survivors for Change** 

Crohn's and Colitis Young Adults Network

Democratic Disability Caucus of Florida

**Doctors for America** 

Families USA

For Our Future Action Fund

Generation Patient

Health Access CA

Health Care For All Massachusetts

Health Care Voices

Heath Action New Mexico

Hispanic Federation

Honest Arizona

**Human Rights Watch** 

Invest in America Action

Kentucky Voices for Health

KS Business Group on Health

Latino Victory

Lower Drug Prices Now

Main Street Alliance

Maryland Health Care For All Coalition

Medicare for All Coalition

Medicare Rights Center

Metro New York Health Care for All

Missouri Health Care for All

MomsRising

MoveOn Civic Action

National Health Law Program

National MS Society

Network Lobby for Catholic Social Justice

New Jersey Citizen Action

Nurses for America

Oregonizers

Patients For Affordable Drugs Now

Pennsylvania Health Access Network

People's Action

**Prescription Justice** 

Protect Our Care

Public Citizen

R2H Action [Right to Health]

Salud y Farmacos

**SEIU** 

Social Security Works

SWAA CT Coordinating committee

T1International USA

**TakeActionMN** 

Tennessee Health Care Campaign

The AIDS Taskforce of Greater Cleveland

The 99% Pennsylvania campaign of the Pennsylvania Budget and Policy Center

The Consortium

United States of Care

Universal Health Care Foundation of Connecticut

Unrig Our Economy

Voices for Progress

West Health Institute

West Virginians for Affordable Health Care