

HOUSE RULES COMMITTEE REFUSES TO ALLOW VOTE ON LARSON AMENDMENT TO GOP PRESCRIPTION DRUG BILL

FOR IMMEDIATE RELEASE: June 26, 2003

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WASHINGTON, D.C.- In an early morning vote today, the House Rules Committee refused to allow an amendment to H.R. 1, the GOP prescription drug bill, offered by U.S. Congressman John B. Larson (CT-01) designed to lower the cost of prescription drugs for Medicare participants. The amendment would have created a consortium led by the Secretary of Health and Human Services to negotiate prescription drug prices with pharmaceutical companies. These agencies would use their collective buying power to determine the maximum price that the companies could charge Medicare prescription drug providers for the covered drugs, resulting in significant savings for the 40 million seniors enrolled in Medicare.

Larson stated: "I am disappointed that the Rules Committee refused to allow my amendment to this legislation. I believe if passed, it would have brought real prescription drug relief to seniors enrolled in the Medicare program by using the same buying principles for Medicare recipients that the VA currently uses to gain dramatic prescription drug savings for veterans. Essentially, it would have leveraged the tremendous buying power of the federal government, through the Secretary of Health and Human Services as well as the Departments of Defense and Veterans Affairs, to determine the maximum prices that pharmaceutical companies could charge Medicare drug providers for prescription drugs, passing the savings on to seniors.

"The House Republicans purport that the bill they will put forward represents prescription drug price relief for older Americans. Unfortunately, it is little more than a hoax which would provide little or no relief for American seniors. While the GOP claims that their bill would place prescription drug relief under Medicare, in reality it places prescription drug relief in the hands of HMOs, which we in Connecticut have already seen pull out of the Medicare Plus Choice prescription drug program. The Republican plan would charge a 20 percent co-insurance for a portion of the first \$2,000 in costs, but then provide no assistance at all for costs between \$2,000 and \$5,100 or higher depending on income, creating a massive gap in coverage. In addition, the Republican plan would not take effect until 2006 and once implemented could force seniors to change plans every 12 months. Seniors have waited long enough for true prescription drug coverage and it is deeply unfortunate that the Republican majority is choosing to pass a totally ineffective bill simply because they need to say that they passed something, no matter how inadequate," said Larson.

The Rules Committee determines the rules of debate on bills that reach the floor as well as which amendments to legislation will be allowed to the floor for a vote. The House is expected to vote on the Republican prescription drug bill and the Democratic alternative before the end of the week.

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