

STATEMENT OF CONGRESSMAN JOHN B. LARSON ON HOUSE PRESCRIPTION DRUG LEGISLATION

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WASHINGTON, D.C.-U.S. Congressman John B. Larson (CT-01) today issued the following statement after the House passed the GOP prescription drug legislation early this morning.

"The GOP legislation that passed the House early this morning is little more than a sham being perpetrated on the elderly. It is both ineffective and inadequate and will not bring real prescription drug relief to the millions of elderly Americans who so greatly need and deserve it. Despite the rhetoric, this bill does not place prescription drug coverage under Medicare, but rather places it in the hands of the HMOs, which are not going to provide a program that is both unprofitable and actuarially infeasible. We in Connecticut remember the HMOs pulling out of the Medicare Plus Choice prescription drug plan for this very reason.

"The GOP program 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.

"Unlike the Democratic plan, the GOP bill will not address the real issue of reducing the cost of prescription drugs. Prior to the passage of the bill, I offered an amendment that would have leveraged the enormous buying power of the federal government to determine the maximum prices that pharmaceutical companies could charge Medicare drug providers for prescription drugs, passing the savings on to 40 million Medicare recipients. This amendment was rejected by the Rules Committee and was not allowed to the floor for a vote. A similar provision was also included in the Democratic plan. The GOP plan was passed so that at election time, the majority could say they did something, anything, no matter how ineffective or misleading.

"To paraphrase President Franklin Roosevelt, the Republican Majority appears to be frozen in the ice of their own indifference when it comes to the needs of the elderly. An awful lot of lip service is paid to the greatest generation, but when it comes time to act, the Republican Majority prefers to pass trillions in tax cuts instead of enacting a real prescription drug benefit for seniors," said Larson.

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