

LARSON STATEMENT ON GOP MEDICARE BILL

FOR IMMEDIATE RELEASE: November 18, 2003

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WASHINGTON, D.C.- U.S. Congressman John B. Larson (CT-01) today issued the following statement on the Republican prescription drug legislation.

“The plan put forward by the Republican Majority moves to privatize and dismantle the Medicare program, and forbids the Secretary of Health and Human Services from directly negotiating fair prices on behalf of seniors the way the VA and the private sector do. This is a Medicare privatization bill masquerading as prescription drug relief. Its major benefactor is the pharmaceutical industry,” said Larson.

“Seniors demand a real solution that will reduce the cost of their drugs. One measure passed by the House would have accomplished this by allowing FDA-approved prescription drugs to be reimported from other industrialized nations, creating enormous savings for Americans. This legislation blocks that effort.”

“A plan I introduced 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. The Republican bill specifically prohibits the government from negotiating better prices.”

“The bill's premium support demonstration project would force seniors to choose private insurers to receive a prescription drug benefit or pay more to stay in the traditional Medicare program that they know and trust. Additionally, it destroys the universal nature of Medicare by adding asset-testing and income-relating provisions.

“The Republican bill would place prescription drug relief in the hands of HMOs and PPOs and not under Medicare, where it belongs. We in Connecticut remember HMOs pulling out of Medicare Plus Choice plans because they simply could not make a profit. The truth is that no insurer will be inclined to offer a policy that covers prescription drugs because it is not actuarially feasible and would not be profitable,” said Larson.

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