

STATEMENT OF CONGRESSMAN LARSON ON \$134 BILLION COST INCREASE FOR GOP MEDICARE PRIVATIZATION LAW

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HARTFORD-U.S. Congressman John B. Larson (CT-01) issued this statement following reports that in his budget request to Congress, the President will ask for \$134 billion more than was expected to pay for the Medicare Reform/Prescription Drug plan he recently signed into law. The total cost of the program is now estimated to be \$534 billion.

"What is most outrageous about this increase is that none of this funding is going to directly help reduce the cost of prescription drugs for seniors," said Larson. "From the beginning, this plan was essentially a massive subsidy for the pharmaceutical industry and private corporations. The increased budget request notwithstanding, seniors in America still will not see the cost of their prescription drugs reduced, and now the taxpayers will have to shell out another \$134 billion to pay for this sham program.

"This rapidly escalating cost is more clear evidence that the best way to reduce prescription drug costs is to leverage the immense buying power of Medicare's 40 million participants and directly negotiate the lowest price with the pharmaceutical companies. This will reduce costs for seniors and save the taxpayers hundreds of billions of dollars. Unfortunately, the law as it now stands specifically prohibits this, and effectively blocks prescription drug reimportation from taking place.

"I will continue to work to change this law and will reintroduce legislation to allow the Secretary of Health and Human Services to negotiate with the pharmaceutical industry on behalf of Medicare recipients to secure the lowest drug prices for seniors," said Larson.

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