

PROTECT OUR CARE

House Democrats' Bold Plan: The Lower Drug Costs Now Act

House Democrats have put forward an aggressive plan to reduce the price of drugs for every American family -- taking on the drug companies, leveling the playing field so Americans don't pay more than other countries for their medicines, and ending the rigged system that keeps drug company profits and prices high. This plan delivers on the promise Democrats made in 2018 to reduce the cost of drugs and take on the big drug companies but Republicans continue to stand with the drug companies instead.

Too many American families are staying up at night worrying about rising prescription drug prices and choosing between getting their medication and paying their rent. The big drug companies have spent billions to rig the system so they keep prices high and profits going up, but that ends with this bill.

- The plan **ends the ban on Medicare negotiating directly with drug companies** to lower prescription drug prices.
- Not only will those on Medicare benefit from lower drug prices, but the **lower prices would apply to even those not covered by Medicare**. Prices would go down for those who get insurance from employers and buy it directly from insurance companies. Whether you're a child with asthma, a teen with diabetes or a young parent with a rare illness, this bill will bring drug prices down for everyone.
- **This plan will reverse the unjustified price gouging for thousands of medications**, including insulin, and require drug companies to lower their prices or pay a penalty.
- **Drug companies would be penalized** if they fail to lower prices.
- No longer will Americans have to pay double and triple the price for the same prescription drugs as others pay around the world.

Republicans continue to stand with the drug companies, and oppose the key elements of this plan to reduce drug prices.

- President Trump has stood with the big drug companies whenever he could. He refuses to support Medicare negotiations, gave them billions in tax breaks and has put former drug company executives in charge of his health care policy.
- Republicans gave nearly \$100 billion in tax breaks to the biggest drug companies just last year.
- Big drug company supporters have already started funding secret groups to attack this plan.
- Republicans have voted, repeatedly, to let health insurance plans stop covering any of the costs of prescription drugs.

- Senate Republicans voted against Medicare negotiations in the Senate Finance Committee last month.

Drug Prices Are Soaring Under Trump

Drug Prices In 2019 Surged Compared To The Year Before. With Hikes At 5 Times Inflation – “More Than 3,400 Drugs Have Boosted Their Prices In The First Six Months Of 2019.” “Price hikes on prescription drugs are surging in 2019, despite vows from the Trump administration to rein in pharmaceutical costs. So far in 2019, more than 3,400 drugs have boosted their prices, a 17% increase compared with the roughly 2,900 drug price increases at the same time in 2018, according to a new analysis by Rx Savings Solutions, a consultant to health plans and employers. The average price hike for those 3,400 drugs stands at 10.5%, or about 5 times the rate of inflation, the study found.” [CBS News, [7/1/19](#)]

AARP Analysis Found Specialty Drug Prices Have Grown More Than Three Times Faster Than Inflation. “The prices of widely used specialty prescription drugs grew more than three times faster than general inflation in 2017...The new report found that the average annual price for a single specialty drug used on a chronic basis is now nearly \$79,000, compared to \$27,824 in 2006.” [AARP, [6/25/19](#)]

Insulin Costs Have Tripled Over The Past Decade. As costs continue to [rise](#), as many as one in four of the [7.5 million](#) Americans dependent on insulin are [skipping or skimping on doses](#).

Despite Tough Rhetoric, Trump And His Republican Allies Continue To Block Meaningful Reform.

Trump And His Republican Allies Continue To Block Medicare Negotiation For Lower Drug Prices. Even though [86 percent](#) of Americans support allowing the federal government to negotiate drug prices for Medicare beneficiaries, Republicans refuse to allow Medicare to negotiate. A 2018 Senate Homeland Security and Governmental Affairs Democratic Committee report found that Medicare Part D could save [\\$2.8 billion](#) in a single year if it were allowed to negotiate drug prices. Although it would decrease both federal spending and beneficiaries’ [out-of-pocket costs](#) for prescription drugs, a policy allowing the federal government to [negotiate drug prices](#) for Medicare beneficiaries was recently [blocked by Senate Republicans](#).

And Don’t Forget, The Trump Tax Bill Gave Drug Companies Billions Of Dollars In Tax Breaks.

- **Pharmaceutical Companies Reaped Huge Benefits From The Trump Tax Bill.** The Trump tax scam means billions of dollars in tax breaks for pharmaceutical companies. An [Axios study](#) found that 21 health care companies collectively expected to gain \$10 billion in tax savings during 2018 alone. Most of the tax break for health care companies is going toward share buybacks, dividends, acquisitions and paying down debt. [According to Axios](#), nine pharmaceutical companies are spending a combined \$50 billion on new share buyback programs.
- **Despite Massive Profits From Tax Bill, Pharma Continued To Raise Prices.** Pharmaceutical companies raked in [more than \\$30 billion](#) in profits in the third quarter of 2018, with Pfizer alone bringing in \$4.1 billion – the highest of any publicly traded health care company. Of the 19 companies that tallied at least \$1 billion of third-quarter profit, 14 were drug companies. Meanwhile, pharmaceutical companies continue to increase prices. In January 2019 alone, [Pfizer and Novartis](#) announced price increases

on dozens of drugs, including increasing the cost of a breast cancer medication to \$12,000 for 21 pills.

For more on Trump's broken promises on drug pricing, click [here](#).