



Thomas A. Schatz, *President*
1100 Connecticut Ave., N.W., Suite 650
Washington, D.C. 20036
ccagw.org

August 10, 2021

U.S. Senate
Washington, D.C. 20510

Dear Senator,

It is our understanding Sen. Michael Bennet (D-Colo.) will introduce S. Admt. 3635 for S. Con. Res. 14 that would repeal the non-interference clause found in the Medicare Modernization Act, which created Medicare Part D. This provision was specifically added to protect private sector negotiations in this popular program for seniors. The amendment is supported by Sens. Cortez-Mastro, (D-Nev.), Hassan (D-N.H.), Kelly (D-Ariz), and Warnock (D-Ga.). On behalf of the Council for Citizens Against Government Waste (CCAGW), I ask that you oppose this amendment.

Democrats, eager to put all Americans in socialized medicine, have long wanted to allow the secretary of Health and Human Services to “negotiate” drug prices in Medicare Part D. But the government does not negotiate, it utilizes price controls, which are always destructive, do not work as intended, and destroy innovation. Repealing the non-interference clause would undermine private sector negotiations that have saved taxpayers and beneficiaries billions of dollars.

In 2005, just before Medicare Part D was implemented, the Congressional Budget Office (CBO) estimated Medicare Part D would cost taxpayers \$172 billion by 2015; its actual 2015 cost was \$75 billion. The premiums have remained low and stable for many years and the program is popular with seniors. Before Medicare Part D, one in four seniors did not have prescription drug coverage, now 90 percent do.

Government price controls for drug benefits are found in Medicaid, the 340B safety-net program, the Department of Veterans Affairs, and the 70 percent rebate in the coverage gap in Medicare Part D have already distorted the pharmaceutical marketplace, driving up costs in the private sector. Adding more price controls would be destructive to U.S. pharmaceutical research and future cures.

Again, I ask you to oppose Amdt. 3635. All votes concerning S. Con. Res. 14 will be considered for CCAGW’s 2021 *Congressional Ratings*.

Sincerely,