



# Opening Statement

COMMITTEE ON EDUCATION & LABOR

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The Hon. Robert C. "Bobby" Scott • Chairman

## Opening Statement of Madam Chairwoman Frederica Wilson (FL-24)

Subcommittee on Health, Employment, Labor, and Pensions Hearing

*Making Health Care More Affordable: Lowering Drug Prices and Increasing Transparency*

2175 Rayburn House Office Building

Thursday, July 25, 2019 | 2:00pm

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Today we are gathered to discuss policy solutions to reduce prescription drug prices for consumers, businesses, and taxpayers.

Prescription drug prices are out of control. More than \$450 billion across the health care system or about \$1,100 per person is spent every year.

Pharmaceutical companies are charging Americans prices that are three, four, or in some cases dozens of times higher than what they charge for the exact same drugs they sell in other countries.

As a result, Americans across the nation are struggling to afford the medication they need to maintain their health. In fact, three in ten adults decided to forgo taking their prescribed medications in the past year because of the cost.

We must act on behalf of people like Azima, a social worker in my home state of Florida who struggles to make monthly copayments for her prescription drugs, which cost more than her rent, electricity, cell phone bill, and car payment combined.

And Jesimya David Scherer-Radcliff, who tragically died from rationing the life-saving insulin he needed to treat his diabetes.

As our witnesses will share, exorbitant drug prices place a significant burden on workers and their families. Employer health plans spend nearly \$84 billion annually on drugs, alone.

As drug companies continue to raise prices with no end in sight, seniors, taxpayers, workers, and our economy are all footing the bill.

That is why we must take bold action by passing the *Lower Drug Costs Now Act*, an ambitious plan to lower drug prices and increase transparency in five keyways.

First, the bill ends the ban on Medicare negotiating directly with drug companies to get a fair deal for American consumers.

Second, the bill makes the lower drug prices negotiated by Medicare available to all Americans, which will cut costs for both employers that provide their workers health care and workers covered by employer-provided health care.

Third, the legislation caps negotiated drug prices with prices charged in similar countries so that drug companies stop ripping off Americans while charging other countries less for the same drugs.

Fourth, the bill creates a new out-of-pocket limit on drugs costs for Medicare beneficiaries and ends unfair annual prices hikes by prescription drug companies for 8,000 drugs.

Finally, the *Lower Drug Costs Now Act* reinvests the savings from negotiated drug prices in research and innovation to find new medical breakthroughs.

My Republican colleagues have responded to this proposal with the same tired rhetoric, labeling it a socialist takeover of our health care system. But the central provisions in this proposal have been endorsed by President Trump himself.

We even put together a few video clips of the President promising to negotiate prices and align the prices Americans pay to what consumers in other countries pay. On the day *Lower Drug Costs Now Act* was introduced, the president tweeted, "...it's great to see Speaker Pelosi's bill today."

My Republican colleagues claim cutting the cost of drugs will stifle research and innovation, but nine out of ten big pharmaceutical companies spend more on marketing, sales, and overhead than on research.

Each of us has a responsibility to serve our constituents and address the unsustainable cost of prescription drugs. Today's hearing is an important step toward that goal.

I want to thank each of our witnesses for being with us to discuss this comprehensive solution to one of our nation's most pressing crises. I now recognize ranking member Walberg, for an opening statement.