

January 5, 2007

Dear Member of Congress:

The Service Employees International Union applauds the introduction of H.R. 4, a bi-partisan bill to give the Secretary of Health and Human Services the authority to negotiate prescription drug prices on behalf of our nation's seniors and people with disabilities enrolled in Medicare Part D.

Pharmaceutical price inflation has consistently outpaced the rise in the consumer price index. High drug industry and pharmaceutical benefit manager profits, exorbitant CEO pay packages, and misleading advertising, make it clear that the market is not working well for patients. Through direct negotiation with prescription drug manufacturers, the Secretary of Health and Human Services can achieve fair volume discounts and a more rational. transparent market. All of Medicare's stakeholders have a responsibility to ensure that its trust fund dollars are spent wisely, and H.R. 4 is an important reform for Medicare's long-term financial health.

Sincerely,

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International Secretary-Treasurer

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