



INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA - UAW

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January 9, 2007

Dear Representative:

This week the House is expected to take up legislation (H.R. 4) dealing with the negotiation of lower drug prices for the Medicare Part D prescription drug program. The UAW strongly supports this legislation. We urge you to put the interests of America's seniors ahead of the big pharmaceutical companies, and to vote in favor of this measure.

Since the Medicare Part D prescription drug benefit took effect last year, millions of America's seniors still find themselves struggling to pay for their prescription medications. But current law prohibits Medicare from negotiating with pharmaceutical companies for lower drug prices. The UAW believes this harmful provision needs to be changed, so that Medicare is required to negotiate lower prices. The Veteran's Administration (VA) already negotiates lower drug prices. In our view, Medicare should do the same.

Requiring the Secretary of Health and Human Services to negotiate for lower drug prices would result in savings that could be passed along to beneficiaries by reducing their premiums and overall costs for drugs. In the end, these savings would result in beneficiaries paying less out of pocket for their prescription drugs. In our view, price negotiation is a sensible and feasible way to cut drug costs and provide relief to millions of America's seniors.

For the foregoing reasons, the UAW urges you to vote for the legislation (H.R. 4) that the House will consider this week requiring Medicare to negotiate with the pharmaceutical companies for lower drug prices for seniors. Thank you for considering our views on this important issue.

Sincerely,

Alan Reuther
Legislative Director

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