

January 10, 2007

U.S. House of Representatives Washington, DC 20515

Dear Representative:

On behalf of the more than 1.3 million members of the American Federation of Teachers (AFT), I write in strong support of H.R. 4, the Medicare Prescription Drug Negotiation Act of 2007, and urge its immediate passage when it comes to the House floor later this week.

H.R. 4 would improve the Medicare prescription drug law by correcting a flaw that currently prohibits Medicare from negotiating drug prices with pharmaceutical manufacturers. The flawed provision was included in the legislation, behind closed doors, by the House and Senate Republican leadership. The provision was placed in the bill at the direction of the drug industry and costs Medicare beneficiaries billions in increased medical expenses.

As you are aware, the U.S. Department of Veterans Affairs and the Department of Defense, as well as state Medicaid programs, all negotiate drug prices today. The result is lower prices for their beneficiaries. H.R. 4 addresses the unjustifiable provision by repealing the prohibition and requiring Medicare to negotiate for lower and fairer prescription drug prices. H.R. 4 is structured in a way that will accomplish this worthwhile goal without affecting existing Part D formularies or having an adverse impact on the retail delivery system.

H.R. 4 is a valuable first step in correcting the deficiencies in the Medicare prescription drug law. I urge your strong support for this essential legislation.

Sincerely,

Kristor W. Cowan

Director, Legislation Department

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American Federation of Teachers, AFL-CIO

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