

January 10, 2007

Honorable Nancy Pelosi Speaker of the House U.S. House of Representatives Washington, D.C. 20515

Re: Support for the Medicare Prescription Drug Negotiation Act of 2007

Dear Madam Speaker:

The United Steelworkers (USW) represents over 850,000 members in the paper, forestry products, steel, aluminum, tire and rubber, mining, glass, chemicals, petroleum, and other basic resource industries, as well as health care and service workers. We are the predominant union in the pharmaceutical industry representing 15,000 members in manufacturing, mail-order, and retail pharmacies.

We applaud the first 100 legislative hours agenda that you and House Democratic leaders have initiated and your pledge to pass key bills affecting the everyday lives of all Americans. One of those bills, H.R. 4, is a bipartisan bill aimed at cutting prescription drug prices for millions of seniors and individuals with disabilities.

Prescription drug spending is rising faster than all other health expenses and is projected to continue rising throughout the next decade. Over the next ten years, America's seniors will spend trillions of dollars on prescription drugs.

Seniors and people with disabilities desperately need a drug benefit that meets three tests. One, it's affordable; two, it covers the drugs they need; and three, it's in Medicare.

Instead of lowering drug prices, Part D shifts the costs onto the backs of senior citizens and the disabled who are now beginning to face the infamous "doughnut hole." It is time to let our seniors and individuals with disabilities know that someone cares whether they can afford their medicine or put food on their table.

Prescription drugs have extended and enhanced the quality of life for many Americans. During the passage of the Medicare Modernization Act of 2003 (MMA), the pharmaceutical industry opposed having the federal government use their purchasing clout to negotiate better drug prices for seniors and Medicare. Pharmaceutical companies are benefiting from the current

Honorable Nancy Pelosi January 10, 2007 Page 2

prohibition on drug price negotiation at the expense of all Americans. The most profitable industry in America should not be allowed to frighten and hold the public, worldwide, hostage into toleration of excessive drug prices. Legislation requiring the Secretary of Health and Human Services to negotiate lower Part D drug prices is sorely needed.

The USW endorses the passage of H.R. 4 and stands ready to assist you in that effort.

Sincerely,

Holly R. Hart

Holly R. Hart Legislative Director

HRH/pak