



## **Prescription Drug Costs and Expenditures A Call For Action**

**A prescription for lowering the cost of health care**

- Dramatically reduces prescription drug costs
- Significant savings for taxpayers and retirees
- Basic changes are common practices

**No side effects**



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- Allow the safe and controlled importation of Rx drugs
- Install competitive bidding and formularies for Part D
- Support FDA's acceleration of generic drug approvals
- Enforce restraint of trade by brand-name drug makers



# Prescription Drug Costs and Expenditures A Call For Action

- Saves **\$730 Billion/18%** of \$4,060 billion in Rx expenditures over 10 years

<u>Savings components</u>	<u>\$/Billions</u>	<u>%</u>
➤ Allow Importation, Re-importation	\$203	5%
➤ Implement Competitive Bidding	\$203	5%
➤ Increase Generic Drug Market Share	\$243	6%
➤ Eliminate Restraint if Trade	<u>\$ 81</u>	<u>2%</u>
<b>Total</b>	<b>\$730</b>	<b>18%</b>



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- **PhRMA:** \$80B promised closes 50% of doughnut-hole
- **NRLN:**
  - \$160B/\$730B virtually eliminates the doughnut hole
  - \$570B toward budget and deficit reduction
  - Wouldn't cut benefits, thus no side effects



## Prescription Drug Costs and Expenditures A Call For Action

### **S. 319 Pharmaceutical Market Access and Drug Safety Act**

- Allows importation of key medications based on safety standards
- Gives access to drugs at 35 to 55 percent lower cost

### **S. 44 Medicare Prescription Drug Price Negotiation**

### **H.R. 2248 Medicare Prescription Drug Price Negotiation**

- Price negotiations with pharmaceutical companies for Part D plans

### **S. 27 Preserve Access to Affordable Generics Act**

- Stops anticompetitive agreements and practices