

House to introduce Medicare drug cost bill

January 10 2007

Democrats in the U.S. House said they plan to introduce legislation that would require the government to negotiate prices for Medicare prescription drugs.

The move, lawmakers said, would be one way to reduce the impact of the program's coverage gap, the so-called "doughnut hole" which forces seniors and the disabled with high drug costs to pay the full price for several months, USA Today said. The law currently bars the government from negotiations, which are handled by private insurance plans in each state.

After a rocky start in January 2005, a majority of seniors support the plan, surveys indicated. What is bothersome, though, is the coverage gap encountered by seniors whose total drug costs exceed \$2,400. Until they pay \$3,850 on their own, they receive no coverage.

Medicare negotiating drug prices would help narrow the gap, proponents said.

"This is an issue that both seniors and the public feel fairly strongly about," Tricia Neuman, director of the Medicare Policy Project at the Kaiser Family Foundation, told USA Today.

In opposing the bill, congressional Republicans, the White House, health insurers and drug manufacturers said it measure would lead to price controls and restrictions on new medicines.

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Citation: House to introduce Medicare drug cost bill (2007, January 10) retrieved 20 April 2024 from <https://medicalxpress.com/news/2007-01-house-medicare-drug-bill.html>

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