



Congressman  
**Jerry**

**NADLER**  
New York's **12th** District

# CB8 Meeting on the High Cost of Prescription Medicine

March 21<sup>st</sup>, 2023

# Agenda

- The Inflation Reduction Act
- The President's Budget
- Rep. Nadler's Sponsored and Cosponsored Bills
- What You Can Do
- Q&A

Figure 2

## Prescription Drug Provisions in the Inflation Reduction Act

- For the first time, **requires the federal government to negotiate prices** for some top-selling drugs covered under Medicare
- Requires drug companies to pay **rebates if prices rise faster than inflation** for drugs used by Medicare beneficiaries
- **Eliminates 5% coinsurance** for catastrophic coverage in Medicare Part D in 2024, adds a **\$2,000 cap on Part D out-of-pocket spending** in 2025, and limits annual increases in Part D premiums for 2024-2030
- Limits monthly cost sharing for **insulin products to \$35** for people with Medicare
- **Expands eligibility** for **Medicare Part D Low-Income Subsidy** full benefits
- **Eliminates cost sharing for adult vaccines** covered under Medicare Part D and improves access to adult vaccines under Medicaid and CHIP
- Further **delays implementation** of the Trump Administration's **drug rebate rule**

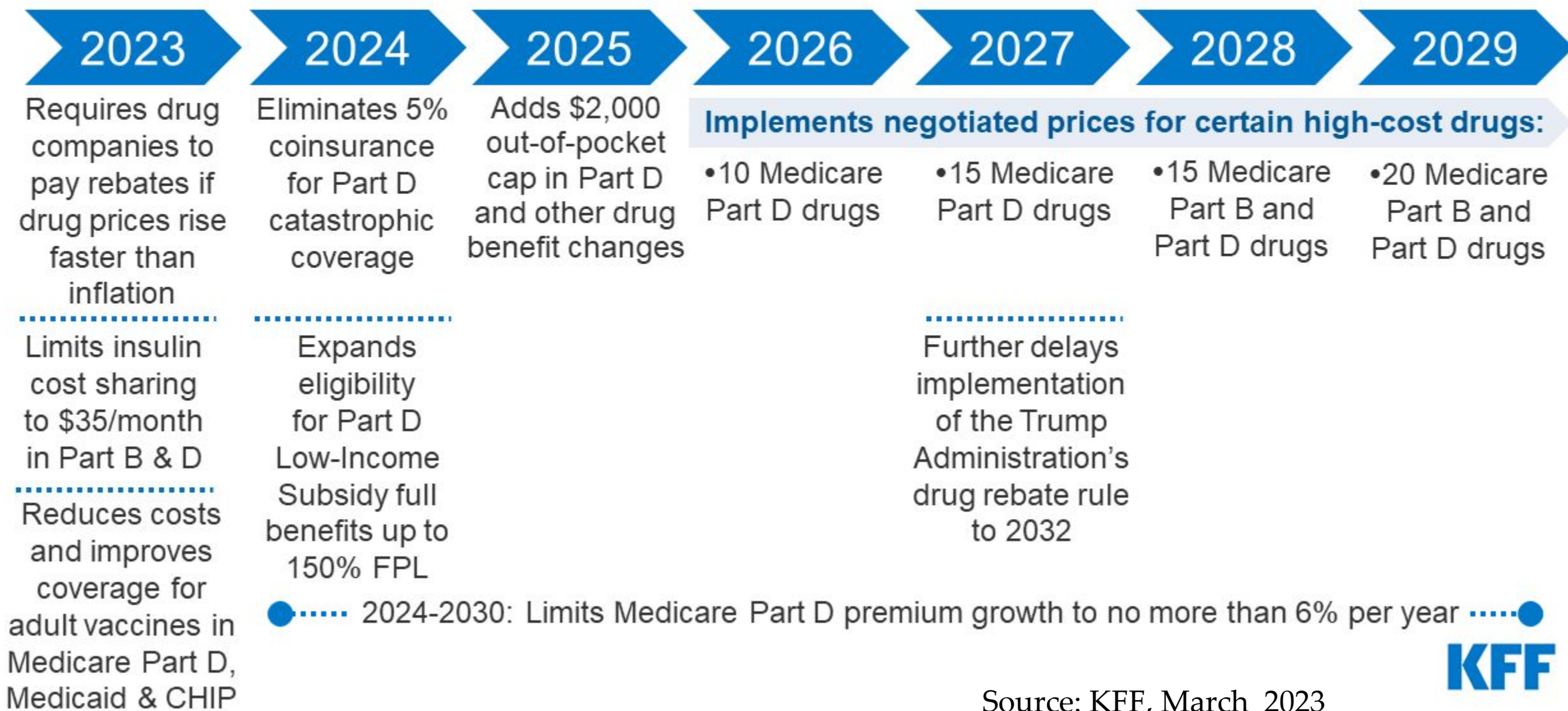
**KFF**

Source: KFF, March 2023



Figure 1

# Implementation Timeline of the Prescription Drug Provisions in the Inflation Reduction Act



Source: KFF, March 2023

# The President's Budget

The Budget proposes:

- Expanding Medicare's Ability to Negotiate Drug Prices
- Expanding the IRA's requirement that drug companies pay rebates when they increase prices faster than inflation
- Strengthening the Medicaid Drug Rebate Program

# The President's Budget Continued

- Extending Medicare solvency by 25 Years or more by modestly increasing the Medicare tax rate on income above \$400,000
- Capping Part D cost-sharing on certain generic drugs, such as those used to treat chronic conditions like hypertension and high cholesterol, to \$2 per prescription per month.

# Rep. Nadler's Bills

## Sponsored:

- Prescription Pricing for the People Act of 2019
- Preserve Access to Affordable Generics and Biosimilars Act

## Cosponsored:

- Medicare Negotiation and Competitive Licensing Act

# What You Can Do

- Share your stories with your Representatives and Senators
- Encourage friends to reach out to their Members of Congress
- Engage with advocacy groups



# Q&A



# Staff Contact Information

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