



Congress' Progressive Caucus offers alternative prescription drug plan

By JANELLE CARTER
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WASHINGTON (AP) _ Several congressional Democrats announced their own plan for prescription drug coverage for the nation's elderly on Wednesday, dismissing President Bush's plan as an "insult to America's seniors."

"At best it will only help a few seniors," said Rep. Dennis Kucinich of Ohio, chairman of the Progressive Caucus, a group of more than 50 members of Congress.

Sen. Paul Wellstone of Minnesota went further: "The president's proposal is a great leap sideways. People do not want to see us play symbolic politics with their lives."

Bush on Monday unveiled his prescription drug plan, called the "Immediate Helping Hand."

The president's plan is meant to cover the full cost of prescription drugs for individual Medicare recipients who have incomes up to \$11,600 but are not eligible for Medicaid. Married couples with incomes up to \$15,700 would be eligible.

For those with slightly higher incomes _ \$15,000 for individuals, \$20,300 for married couples _ Bush's plan would offer subsidies covering at least half the cost of drug plan premiums.

Democrats contend Bush's plan leaves out many seniors, particularly the middle-income elderly.

Wednesday's proposal by the Progressive Caucus _ one of several prescription drug plans pending in Congress _ would cover 80 percent of the drug costs for all seniors under Medicare.

Supporters say the broader coverage would be paid for through cost-containment provisions such as having the government buy drugs in bulk to get a lower price and bringing American drug prices down by allowing the reimportation of U.S.-made drugs sent overseas.

Still, it is uncertain how much can be saved from such measures. Drug reimportation has proven to be a difficult subject for lawmakers. Even its original supporters now disagree on how to implement it.

A law has already passed to allow it, but the Clinton administration blocked its implementation, saying it was vague and full of loopholes. Adding to the difficulty, trade groups in places like Canada have openly voiced concern that the U.S. plan may upset their pharmaceutical market.

The law essentially allows drug distributors to import U.S.-made drugs sold cheaper abroad. Lawmakers passed the measure as part of last year's spending bills.

The prescription drug proposal offered by Democrats on Wednesday seeks to strengthen the reimportation law by adding provisions such as requiring the pharmaceutical industry to provide the Food and Drug Administration-approved labeling for reimported drugs.

Earlier Wednesday, a bipartisan group of lawmakers urged Bush to implement the drug reimportation law, saying it is workable in its current form.

“I am confident that this legislation, when implemented, will help millions of Americans gain access to the prescriptions they need to live longer, happier lives,” Sen. Jim Jeffords, a Vermont Republican, told a news conference.

Added Sen. Byron Dorgan, a North Dakota Democrat, “I think the Clinton administration made the wrong decision, plain and simple. President Bush has an opportunity to correct it.”

On the Net:

Progressive Caucus: <http://progressive.house.gov>

Democrats Hit Bush Over Prescription Drugs

Reuters

WASHINGTON, Jan 31 (Reuters) - Key Democrats on Wednesday declared President George W. Bush's prescription drug plan dead on arrival and proposed a rival package aimed at helping up to 40 million seniors and poor families pay for medication.

Bush made reform of Medicare, the government health insurance program for the elderly, a central theme of his presidential campaign.

But his four-year, \$48 billion prescription drug plan for poor seniors has run into stiff opposition on Capitol Hill from Democrats and some key Republicans, dashing White House hopes of scoring an early legislative victory on health care reform in the narrowly divided Congress.

In place of the president's plan, Michigan Rep. David Bonior and other Democrats said they would introduce their own prescription drug package that would benefit all Medicare recipients -- some 40 million -- rather than a smaller pool of poor seniors that Bush has singled out for coverage.

"People do not want to see us play symbolic politics with their lives," said Sen. Paul Wellstone, a Minnesota Democrat. Rep. Sherrod Brown of Ohio, the ranking Democrat on the Commerce subcommittee responsible for health issues, said Bush's plan "believes an outstanding lack of compassion for literally millions of retired Americans."

Bonior, the No. 2 ranking House Democrat, called the president's package "disgustingly weak" and, echoing comments by other lawmakers, said it would fail in its current form.

Sent to Congress with little fanfare on Monday, Bush's plan would provide \$48 billion in support to states over four years to cover the cost of a prescription drug program for seniors earning under \$11,300 for individuals and \$15,200 per couple. That money also would cover part of the cost for seniors with incomes up to \$14,600 and couples earning up to \$19,700.

White House officials sought to assure skeptical lawmakers that the plan was a first step toward modernizing Medicare, which handles more than 900 million claims per year. They said Bush was willing to see the proposal folded into broader reform of the Medicare program.

Under the Democratic alternative, all Medicare beneficiaries who voluntarily enroll would receive prescription drug benefits. Democrats said their approach would pay for 80 percent of drug costs, compared to 25 percent of private insurance premiums under the Bush plan.

Democratic aides said the cost of their plan would roughly match Bush's because of cost-containing measures, including provisions allowing prescription medicines to be re-imported from other countries, where they are often far less expensive.

At a separate news conference, a bipartisan group of lawmakers urged Bush to implement a new law aimed at lowering drug prices in the United States. Bitterly opposed by the pharmaceutical industry, the law would let pharmacists and wholesalers buy U.S. brand-name drugs in countries with lower prices, such as Canada, and resell them at a discount in the United States.

Former President Bill Clinton signed the legislation into law last year, but his secretary of health and human services, Donna Shalala, refused to implement it, saying it posed possible health risks.

Upset by the Clinton administration's inaction, Vermont Republican Sen. Jim Jeffords and other supporters of the drug importation law called on Bush's secretary of health and human services, Tommy Thompson, to override Shalala.

``This law, while an imperfect solution to the spiraling cost of prescription drugs, deserves and needs to be implemented as soon as possible,`` Jeffords and 15 other lawmakers said in a letter on Wednesday to Bush.



DJ US Lawmakers Renew Fight Against High Rx Drug Prices

WASHINGTON (Dow Jones)--The pharmaceutical industry withstood a barrage of criticism from Capitol Hill Wednesday, with attacks coming from both parties to curb the high cost of prescription drugs.

A bipartisan group of lawmakers revived a push to implement a new law that allows pharmacists and wholesalers to "reimport" drugs made and approved in the U.S. but sold overseas at cheaper prices.

Former Secretary of Health and Human Services, Donna Shalala, refused to implement the legislation in December, saying it wouldn't lower drug prices and posed a public health risk.

Former President Clinton signed the legislation into law in October as part of a larger bill that funded the Food and Drug Administration.

However, lawmakers say the new HHS Secretary, Wisconsin Gov. Tommy Thompson, has the power to overturn Shalala's decision and they urged the new Bush administration to do just that.

"This law, while an imperfect solution to the spiraling cost of prescription drugs, deserves and needs to be implemented as soon as possible," reads a letter signed by a bipartisan panel of 16 House and Senate lawmakers.

"The prescription drugs that would be imported are identical to the ones sold to U.S. consumers but with one key difference - they cost two to three times less in Canada, the United Kingdom or other countries," the letter states. Many countries outside of the U.S. impose price controls that keep drug costs low.

While the legislation would have allowed pharmacies to reimport drugs originally made in the U.S. from foreign countries, Shalala argued that it was crafted with loopholes that negated the effectiveness of the program. For example, it would prevent importers from using FDA-approved labeling, allowing drug manufacturers to change the names of familiar drugs or even the language that the label is printed in before shipping medications back to the U.S.

Senators such as Jim Jeffords, R-Vt., and Byron Dorgan, D-N.D., said that HHS has the authority to write regulations that would require the proper labeling of imported drugs.

Democrats Release Rival Medicare Rx Drug Plan

At the same time, a team of House and Senate Democrats unveiled a new Medicare prescription drug proposal to rival one released by President George W. Bush earlier this week.

The Democratic initiative differs from Bush's plan in allowing the Medicare system - the federal health insurance for the elderly - to negotiate discounted prices on medicines much in the same way an HMO or other health insurers do. Medicare insurance does not include prescription drug coverage. The legislation also would require "reasonable pricing agreements" with commercial drug companies that profit from research done by the National Institutes of Health.

And it promises to close loopholes left open in the drug reimportation bill.

"The pharmaceutical industry doesn't want to see discounts. They don't want to see cost containment," said Sen. Paul Wellstone, D-Minn. "You've got to be on

the side of your constituents. This administration doesn't want to take on the pharmaceutical industry."

Bush's plan would help one-fourth of poorest 39 million Medicare beneficiaries buy their prescription drugs by providing \$48 billion in state grants over four years. The measure is designed to be a temporary fix until Congress can find a more comprehensive solution to help America's elderly pay for their medicine.

"While ill people cannot afford prescription drugs, the pharmaceutical industry last year raked in \$27 billion in profits, more than any other industry," said Rep. Bernard Sanders, I-Vt.