

January 11, 2017

Dear Senator:

The undersigned organizations write to express our opposition to two amendments under consideration to the budget resolution and urge a "no" vote on these amendments. Specifically, the first amendment (Klobuchar #9) would repeal the non-interference clause in Medicare, while the other (Klobuchar #32) would allow imported drugs from Canada and possibly other countries.

Both amendments seek to lower drug costs. But both amendments would create serious access and safety issues for patients, and both would fail to lower costs.

Medicare Non-Interference

Repeal of Medicare non-interference would allow HHS bureaucrats to meddle in the negotiations between health plans, pharmacies and drug manufacturers that already happen every day in Part D. Per an analysis by the QuintilesIMS Institute, these negotiations take about 35 percent off a drug's list price. The Congressional Budget Office has concluded that the government wouldn't be able to win bigger price concessions than private health plans already receive. The only way to achieve any greater savings would be to bar seniors from gaining access to drugs or to restrict their access to pharmacies. America's seniors would lose access to medicines, their health would likely worsen, and their healthcare costs would spike.

Importation

Allowing importation of drugs from Canada has been federal law for 16 years (MEDS Act). The law requires HHS to sign off on importation if the Administration can demonstrate implementation would pose no additional risk to public health or safety and that importation would lower costs. No Administration has been able to demonstrate either. Because costs would not go down, but safety and health would be at risk, we urge you to reject the Klobuchar Amendment #32 on importation.

We encourage you to vote no on both amendments if they are brought to a vote, and to work with us to lower costs in ways that do not pose safety or access threats for patients.

Sincerely,

American Autoimmune Related Diseases Association
AIDS Institute
American's Business Benefit Association
American Behcet's Disease Association
Communicating for America, Inc.
Council for Affordable Health Coverage
Healthcare Leadership Council
International Cancer Advocacy Network
National Down Syndrome Society
National Grange
Small Business & Entrepreneurship Council
The Latino Coalition