

June 5, 2018

**Coalition to Congress: Protect Taxpayers With
Reforms to the Medicare Part D Prescription Drug Program**

The Honorable Paul Ryan
Speaker
United States House of Representatives
H-232 The Capitol
Washington, D.C. 20515

Dear Mr. Speaker:

On behalf of the taxpayers and free-market citizen activists our organizations represent, we urge you to fix the Medicare "Part D" prescription drug program by reversing the harmful changes made in the "Bipartisan Budget Act" earlier this year. As you know, the law significantly reduced plan contribution requirements and increased manufacturer discounts. Those misguided changes upset the checks and balances that make Part D work and exposed taxpayers to three principal risks:

First, the Part D changes could lead to a taxpayer bailout of the program. Part D utilizes the private sector in a far superior manner than government-heavy alternatives like Obamacare. Too many in Congress seek to turn Part D into a mirror image of Obamacare, which would require a massive infusion of tax dollars over time. Budget scorekeepers' initial estimates of a comparatively modest negative fiscal impact from the Part D changes have subsequently proven to be badly understated. Indeed, the failures we are now seeing in Obamacare would be duplicated in the Medicare Part D program, which over the past 15 years has evolved to vividly demonstrate the value of private sector competition driving down costs for both taxpayers and seniors.

Second, the potential loss of robust private sector competition in Part D could lead to higher premiums and out-of-pocket costs over time. It could endanger access to medicines, many of which actually reduce net long-term Medicare costs by preventing expensive hospital stays, surgeries, and other therapies. The government shouldn't get between seniors and their doctors, and we have no way of predicting the outcomes of the changes made to Part D.

Third and perhaps most troubling over the long run, the Part D alterations endanger the free market health reform agenda of the Republican Congress and President Trump. We need to give people more and better health care choices, not take away or threaten the ones they already have. We need to lower the costs of prescription drugs without government takeovers, bailouts, or price controls.

As you know, there is very little hope of Medicare reform without a successful Part D program built on robust and price-transparent private sector competition. We look forward to working with you to implement free market solutions to lower drug costs, starting with a reversal of the ill-advised Medicare Part D changes made in the Bipartisan Budget Act.

Sincerely,



Pete Sepp, President
National Taxpayers Union

Tom Schatz, President
Council for Citizens Against Government Waste

Grover Norquist, President
Americans for Tax Reform

Carrie L. Lukas, President
Independent Women's Forum

Heather R. Higgins, CEO
Independent Women's Voice

David Williams, President
Taxpayers Protection Alliance

Jonathan Bydlak, President
Coalition to Reduce Spending

Phil Kerpen, President
American Commitment

Matthew Kandrach, President
Consumer Action for a Strong Economy

Andrew Langer, President
Institute For Liberty