

FOR IMMEDIATE RELEASE:

April 16, 2013

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AARP Supports Legislation to Require Drug Manufacturers to Provide Rebates to Medicare Part D Low-Income Subsidy Beneficiaries

WASHINGTON, D.C. – Today, AARP sent the following letter in support of the newly proposed Medicare Drug Savings Act of 2013.

April 16, 2013

AARP is pleased to endorse the Medicare Drug Savings Act of 2013. Your legislation will require prescription drug manufacturers to provide rebates for drugs provided to Medicare Part D low-income subsidy beneficiaries, including those who are dually eligible for Medicare and Medicaid. Dear Senator Rockefeller / Dear Representative Waxman:

Medicare Part D benefit costs are projected to grow at an average annual rate of almost 10 percent through 2021, significantly faster than GDP. Unlike Medicare Part A, which is financed primarily through payroll taxes, Medicare Part D is funded through a combination of premiums and general revenue. As Part D spending increases, so does the cost burden shouldered by enrollees and taxpayers. The Medicare Drug Savings Act would provide a significant financial benefit to the Part D program.

AARP understands the important need to spend Medicare dollars wisely and to reduce the nation's spending on health care generally. However, AARP wants to ensure that Congress does not simply ask seniors to pay more or enact harmful cuts to Medicare benefits. Consequently, AARP is encouraged by your legislation, which instead focuses on constructively reducing costs, saving as much as \$141 billion over the next ten years without negatively impacting Medicare Part D benefits.

We look forward to working with you and your colleagues on both sides of the aisle to enact the Medicare Drug Savings Act of 2013. If you have any further questions, please feel free to contact me, or have your staff contact KJ Hertz at xxx-xxx-xxxx on our Government Affairs staff.

Sincerely,

Joyce Rogers
Senior Vice President
Government Affairs

AARP is a nonprofit, nonpartisan organization, with a membership of more than 37 million, that helps people turn their goals and dreams into real possibilities, strengthens communities and fights for the issues that matter most to families such as healthcare, employment and income security, retirement planning, affordable utilities and protection from financial abuse. We advocate for individuals in the marketplace by selecting products and services of high quality and value to carry the AARP name as well as help our members obtain discounts on a wide range of products, travel, and services. A trusted source for lifestyle tips, news and educational information, AARP produces AARP The Magazine, the world's largest circulation magazine; AARP Bulletin; www.aarp.org; AARP TV & Radio; AARP Books; and AARP en Español, a bilingual news source. AARP does not endorse candidates for public office or make contributions to political campaigns or candidates. The AARP Foundation is an affiliated charity that provides security, protection, and empowerment to older persons in need with support from thousands of volunteers, donors, and sponsors. AARP has staffed offices in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. Learn more at www.aarp.org.