



November 14, 2018

The Honorable Mitch McConnell  
Majority Leader  
United States Senate  
S-230, U.S. Capitol  
Washington, D.C. 20510

The Honorable Charles Schumer  
Minority Leader  
United States Senate  
S-221, U.S. Capitol  
Washington, D.C. 20510

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

The Honorable Nancy Pelosi  
Minority Leader  
U.S. House of Representatives  
H-204, U.S. Capitol  
Washington, D.C. 20515

Dear Leader McConnell, Leader Schumer, Speaker Ryan, and Leader Pelosi:

On behalf of AARP's 38 million members, I write to express our strong opposition to any attempts to roll back the improvements made to Medicare Part D in the Bipartisan Budget Act (BBA). These critical reforms will help to reduce out-of-pocket costs for beneficiaries and must be maintained.

Prescription drug prices continues to rise, and older Americans are struggling to afford the medications they need. AARP's most recent Rx Price Watch Report found that the average price of brand-name drugs widely used by older Americans increased at four times the rate of inflation in 2017 alone. Further, the average annual cost for a brand-name drug used on a chronic basis was more than \$6,800, almost \$1,000 higher than the average annual cost just one year earlier.<sup>1</sup> These costs are especially burdensome for older Americans, as the average Part D enrollee takes 4.5 medications each month and the median income for Medicare beneficiaries is approximately \$26,000. In 2015, Part D beneficiaries spent nearly \$27 billion in out-of-pocket costs for the prescription drugs they need.<sup>2</sup> We support reforms that will lower drug prices and provide relief to older Americans struggling to afford needed medications.

That is why we oppose all efforts to roll back the important Part D donut hole reforms that were included in the BBA earlier this year. This includes closing the donut hole one year earlier and requiring higher manufacturer discounts on brand name prescription drugs for beneficiaries who are in the coverage gap. The higher discounts will enable beneficiaries with high drug costs to move more quickly through the donut hole and into

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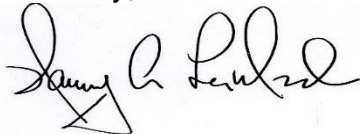
<sup>1</sup> <https://www.aarp.org/content/dam/aarp/ppi/2018/09/brand-name-prescription-drug-prices-increase-four-times-faster-than-inflation.pdf>

<sup>2</sup> [http://www.medpac.gov/docs/default-source/reports/mar17\\_medpac\\_ch14.pdf](http://www.medpac.gov/docs/default-source/reports/mar17_medpac_ch14.pdf)

catastrophic coverage, where their out-of-pocket costs are substantially lower. A recent study found that Medicare Part D enrollees are expected to save \$1.3 billion in out-of-pocket costs in 2019 because of these changes.<sup>3</sup> Any legislation that would lower these manufacturer discounts would only serve to increase out-of-pocket costs for beneficiaries.

We are acutely aware of the difficult decisions facing older Americans who struggle to afford the drugs they need. As drug prices continue to increase, it is imperative that we keep in place policies that will help to lower drug costs for beneficiaries and make it easier for them to access the medications they rely on. We urge you to stand with seniors, not drug companies, and resist any attempt to undo these important reforms. If you have any questions, please feel free to reach out to me or contact Joyce Rogers, Senior Vice President, Government Affairs at 202-434-3750.

Sincerely,

A handwritten signature in black ink, appearing to read "Nancy A. LeMond". The signature is fluid and cursive, with a large initial "N" and "L".

Nancy A. LeMond  
Executive Vice President and  
Chief Advocacy and Engagement Officer

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<sup>3</sup> <http://www.milliman.com/insight/2018/How-will-the-Bipartisan-Budget-Act-of-2018-impact-Part-D-in-2019-and-beyond/>