

Biden Administration is Giving Medicare The Power to Negotiate for Lower Drug Prices

Talking Points

Key Point: *Americans deserve financial security and some peace of mind when they go to sleep at night. But, too many are forced to choose between being able to afford their medicines or paying for food or housing. That's why President Biden and Democrats in Congress are lowering the cost of prescription drugs by giving Medicare the power to negotiate lower prices.*

Giving Medicare the power to negotiate with drug companies will help bring the price of medicines in the U.S. more in line with what other countries pay. Americans should not have to pay three times more for medicines than people in other countries do.

Prescription medicines cannot work if people cannot afford to take them, and high drug prices are keeping too many Americans from the health care they need.

President Biden is standing up to the greed of the big drug companies and lowering prices for people, especially seniors. Patients should not be paying out-of-control prices for medicines they need when all it's doing is padding drug company profits and footing the bill for outrageous CEO salaries. The top 8 drug companies made \$110 billion in profits last year, and the largest drug companies paid their CEOs an average of \$36.4 million.

President Biden and Democrats in Congress are already working to expand these cost savings to more Americans, no matter what age they are or how they get their health insurance.

While Democrats are lowering drug prices, Republicans want to roll back this progress. The extreme MAGA agenda is clear: they would let drug companies charge as much as they can get away with. They're trying to repeal the cap on the price of insulin and ban Medicare from negotiating to bring down the cost of prescription drugs. The drug companies will make billions and prices for patients will skyrocket.

President Biden's Inflation Reduction Act:

- Caps the cost of insulin for 1.5 million people on Medicare at \$35/month.
- Gives Medicare the power to negotiate with drug companies for lower prices on the costliest drugs, eventually bringing down prices by as much as [50 percent](#).
- Penalizes the drug companies if they raise prices more quickly than the costs of other things people regularly buy.
- Eliminates out-of-pocket costs for vaccines, including the shingles vaccine, for people on Medicare.