

United States Senate

WASHINGTON, DC 20510

COMMITTEES:
APPROPRIATIONS
COMMERCE
HEALTH, EDUCATION,
LABOR, AND PENSIONS

August 28, 2023

The Honorable Xavier Becerra
Secretary
Department of Health and Human Services
200 Independence Ave SW
Washington, DC 20201

Dear Secretary Becerra:

On August 16, 2022, President Biden signed the *Inflation Reduction Act* into law. This landmark legislation is lowering health care costs, and for the first time ever, allows Medicare to negotiate the price of prescription drugs. As the Administration prepares to announce further steps in its efforts to implement the *Inflation Reduction Act*, I urge you to ensure that Medicare negotiates drug prices for the medications that Wisconsinites rely upon most. The Administration must hold big drug companies accountable.

Thanks to the work of Congress and President Biden, the *Inflation Reduction Act* is already making a real difference in the lives of Wisconsin's working families by helping reduce monthly health care premiums, capping the cost of insulin for seniors at \$35 per month, making no-cost vaccines available to Wisconsinites on Medicare, and penalizing drug companies that raise prices faster than inflation. Starting next year, seniors will have their annual out-of-pocket medication costs capped at \$2,000. We must, however, make sure that the law can work to provide even more relief for those who are struggling. More than 20 percent of Wisconsinites have forgone their medications because of the cost, and more than half are worried about the price of prescription drugs.¹

By September 1, 2023, the Centers for Medicare and Medicaid Services (CMS) will announce the first ten drugs that will be subject to price negotiation under Medicare Part D, which provides coverage for 950,000 Wisconsinites.² It is critically important that the drugs selected for negotiation are those that would have the greatest impact, including those that are used to treat chronic conditions that impact individuals in my home state. As heart disease is the leading cause of death in Wisconsin, CMS must address the price of drugs like Eliquis and Xarelto, which help prevent blood clots and can be used to treat individuals with heart disease.³ The list price of

¹ <https://www.protectourcare.org/wp-content/uploads/2021/05/Wisconsin-Drug-Pricing-Facts-.pdf>

² <https://www.kff.org/other/state-indicator/medicare-beneficiaries-enrolled-in-part-d-coverage/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D>

³ <https://www.dhs.wisconsin.gov/heart-disease/index.htm>

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Eliquis is \$561 per month, or more than \$6,700 per year.⁴ The monthly list price of Xarelto is \$542, accounting to more than \$6,500 per year.⁵ According to the American Cancer Society, over 37,000 Wisconsinites will be diagnosed with cancer in 2023.⁶ Unfortunately, the cost of cancer drugs has continued to rise, and one in three Americans covered by Medicare Part D who don't qualify for additional subsidies don't fill prescriptions for their lifesaving cancer medications.⁷ This is unacceptable and I call on the Biden Administration to take action to help these patients and negotiate for the price of drugs like Imbruvica, used to treat certain kinds of leukemia, which has a list price of \$17,018 for a 30-day supply, a price that has doubled since the drug came on to the market in 2013.⁸ In addition, the Administration must continue its efforts to provide relief for individuals with diabetes, and negotiate the price of drugs that are often taken with insulin, such as Januvia, which has a list price of approximately \$586 per month.⁹ Merck, the manufacturer of Januvia, reported \$4.5 billion in sales of Januvia in 2022, and is now suing to stop Medicare from negotiating lower prices for seniors and taxpayers.¹⁰

No American should go broke just to afford the medications they need to stay healthy. Our *Inflation Reduction Act* finally empowered Medicare to negotiate for lower drug prices, but we must make sure that the law works for Wisconsinites, including the thousands of seniors with chronic conditions. I look forward to your forthcoming announcement.

Sincerely,



Tammy Baldwin
United States Senator

⁴<https://www.eliquis.bmscustomerconnect.com/afib/price#:~:text=This%20information%20is%20intended%20to,supply%20of%20ELIQUIS%20is%20%24561.&text=On%20average%2C%20patients%20pay%20%2451,patients%20pay%20%2435%20or%20less.>

⁵ <https://www.xarelto-us.com/cost>

⁶ <https://cancerstatisticscenter.cancer.org/#!/state/Wisconsin>

⁷ <https://www.healthaffairs.org/doi/full/10.1377/hlthaff.2021.01742>

⁸ <https://www.healthaffairs.org/content/forefront/medicare-price-negotiation-under-inflation-reduction-act-example-ibrutinib>

⁹ <https://www.drugs.com/price-guide/januvia>

¹⁰ <https://www.merck.com/news/merck-announces-fourth-quarter-and-full-year-2022-financial-results/>