

PRESCRIPTION DRUG REIMPORTATION -- (House of Representatives - July 13, 2004)

The SPEAKER pro tempore. Pursuant to the order of the House of January 20, 2004, the gentleman from New Jersey (Mr. *Pallone*) is recognized during morning hour debates for 5 minutes.

Mr. PALLONE. Mr. Speaker, last year Republicans here in the House approved the prescription drug bill that did more to help the pharmaceutical companies than senior citizens. The pharmaceutical companies can continue to charge outrageous prices because Republicans refuse to give the Secretary of Health and Human Services the ability to negotiate better prices for seniors in the government.

The pharmaceutical companies also benefit from the fact that Republicans also refuse to allow for the reimportation of prescription drugs from other countries. My colleagues probably heard of seniors taking bus trips across the border into Canada to purchase their prescription drugs. And that is because drugs in other countries, including Canada, cost 40 percent less than they do here.

This year alone experts at Boston University estimate that Americans would save \$59.7 billion by paying Canadian prices for brand name drugs, and, yet, Republicans refuse to include a provision in their legislation that would provide seniors with this much needed assistance.

Why would Republicans pass a prescription drug bill that helps the pharmaceutical companies out more than the very seniors who have been waiting for help? What one of the reasons is that the Bush administration's main negotiator on the bill, then Medicare administrator Tom Scully, was actually looking for a job with the very pharmaceutical companies at the same time he was hammering out the final Medicare legislation.

Mr. Speaker, there is no better indication that Medicare administrator Tom Scully was working on behalf of the pharmaceutical companies than when he refused to provide critical information to one of my democratic colleagues on the actual cost of the Medicare bill. Last week the Bush administration announced that Tom Scully did, indeed, threaten to fire Richard Foster, a career civil servant, if Foster told Congress that the Republican prescription drug bill would actually cost more than they previously thought. Now, unfortunately, even though the administration has admitted that, Scully cannot be punished for withholding this information to Congress. He no longer works at Health and Human Services. Guess where he works? He now lobbies for the drug companies.

Now, Mr. Speaker, my democratic colleagues and I, we really feel very strongly that we have to continue to fight this new Medicare law and will work to provide seniors a meaningful benefit within the Medicare system. We still can have a good law. Today, thanks to the tenaciousness of the gentlewoman from Ohio (Ms. *Kaptur*) we are going to vote on an appropriations bill amendment that allows for the safe reimportation of prescription drugs. The gentlewoman from Ohio (Ms. *Kaptur*) offered the amendment in committee last week. Republicans tried to block it but they failed. And that is because it is the right thing to do.

Seniors need help now with lower drugs costs and the reimportation provisions that Democrats inserted into the agriculture appropriation bill. I think it is a good start.

Democrats have also filed a discharge petition on a bill that would finally allow the Secretary of Health and Human Services to negotiate for cheaper prices on behalf of the more than 40 Medicare beneficiaries. The bill we want to bring to the floor ensures that the government will use the purchasing power of millions of

seniors to negotiate lower drug costs just like we do for the veterans health care system. And this would lower prices by about 50 percent.

Now, Mr. Speaker, in order to truly help seniors with the prescription drug bills, we have to do something about the outrageous and skyrocketing costs. That is the key. Republicans and the pharmaceutical companies shamefully refuse to address the cost issue. As I have stated before, Democrats will continue to work on behalf of America's seniors and continue to fight to pass legislation that finally addresses the high cost of prescription drugs.