

May 1, 2025

Chairman Brett Guthrie
House Energy and Commerce Committee
2125 Rayburn House Office Building
Washington, D.C. 20515

Ranking Member Frank Pallone
House Energy and Commerce Committee
2232A Rayburn House Office Building
Washington, D.C. 20515

Chairman Jason Smith
House Ways and Means Committee
1139 Longworth House Office Building
Washington, D.C. 20515

Ranking Member Richard Neal
House Ways and Means Committee
1129 Longworth House Office Building
Washington, D.C. 20515

Dear Chairman Guthrie, Chairman Smith, Ranking Member Pallone, and Ranking Member Neal:

We are writing to express our opposition to legislation that would make it harder for Medicare to successfully negotiate lower drug prices for American seniors and taxpayers. Americans already pay the highest prices in the world for their prescription drugs, and legislation like H.R. 1492 would keep Medicare on the sidelines for even longer while pharmaceutical manufacturers continue to set outrageous and unjustified prices for drugs seniors need to be healthy.

Medicare is finally beginning to negotiate lower prices for its beneficiaries, getting a much better deal for patients and taxpayers alike. This policy is wildly popular with voters of all political parties, and for good reason. They know it will save them money and finally add some common sense to the way Medicare pays for medicines. Unfortunately, legislation like H.R. 1492 would turn back that progress.

For decades, Americans have been price-gouged by drug companies. [Three in ten Americans](#) report difficulty affording their medications. That is why Medicare negotiating lower drug prices is overwhelmingly popular across party lines: Numerous [public polls](#) have found that Americans, especially those 65 and older, strongly support allowing Medicare to negotiate to get a better price for drugs. In fact, a [March 2025 poll](#) found that 67 percent of voters across the political spectrum favor allowing Medicare to negotiate the price of *all* drugs, expanding rather than limiting the scope of the program.

If Congress wants to harmonize the time that must elapse before Medicare can negotiate drug prices, it should shorten the timeline for biologic drugs. This would satisfy the demands of big drug companies to have the same period for both biologic and non-biologic drugs while continuing to achieve the intended outcome of lowering (rather than increasing) drug costs for Americans.

Even better, reducing the time Medicare has to wait before negotiating lower prices on both types of drugs would [generate billions in savings](#) that the Committees could put toward reconciliation. This would be a win-win for the Committee and taxpayers alike. You could save taxpayers billions while continuing to lower drug prices and costs for seniors and patients without making painful cuts elsewhere in the budget.

The pharmaceutical industry argues they should be allowed to charge Americans the highest drug prices in the world because it preserves “incentives for innovation.” But the facts tell a different story. Since Medicare has had the power to negotiate better prices for Americans, private [investment in small-molecule therapies has actually increased](#)! The market is responding to demand, not retreating from it.

Meanwhile, American taxpayers are already doing their part. Our hard-earned tax dollars have supported the development of nearly every FDA-approved drug in the past decade. And yet, Americans continue to pay far more than patients in other countries for the exact same medicines, made in the exact same overseas factories. That is not a free market: it is a broken system that is deeply unfair to the American people.

It’s time we put American patients and taxpayers first. That means ensuring that seniors and patients are not price gouged for medications they helped pay to develop. We look forward to working together to ensure that every American can get the medications they need at prices they can afford while also preserving the critical taxpayer savings from Medicare drug price negotiation.

Sincerely,

AARP

Patients for Affordable Drugs Now