



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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Statement by U.S. Senator Chuck Grassley, of Iowa
Chairman, Senate Committee on Finance
Conference Committee Report on
Medicare Prescription Drugs Benefits Legislation
Sunday, November 16, 2003

The bipartisan conference report is the best opportunity to add a prescription drug benefit to the Medicare program. If Congress doesn't act now, seniors won't gain access to affordable prescription drugs through Medicare in the foreseeable future. The discount drug card in this bill will mean immediate reductions in the cost of prescription drugs. Cost savings will continue when the permanent program gets up and running. In addition, opening the door for reimporting drugs from Canada could mean lower prices for consumers buying prescription drugs.

The bill is a tremendous legislative victory for seniors who cannot afford the expensive prescription drugs they need each month. It gives choices to seniors who rely on Medicare. If you want to keep Medicare just like you have it today, you can do so. If you want to access a prescription drug benefit along with traditional Medicare, you can do that. Or, if you want to opt for new kinds of Medicare plans – like the kinds of health insurance found in the workplace – you can make that choice.

This bill includes substantial subsidies to keep employer-sponsored retiree plans. For retirees who have lost employer-sponsored coverage in recent years, this bill creates a safety net. Today there's no safety net, and those people have nothing.

This bill includes my fix to the geographic payment inequity, and that's a major victory for Iowa. Iowans – and taxpayers in 30 other states – pay the same payroll tax to help run Medicare as the rest of the country, but have been penalized for providing cost-effective medicine. The robust rural health package ferrets out the flaws in Medicare's payment formula. It will dramatically increase reimbursements for rural hospitals and doctors. This will make a big difference in recruiting physicians and maintaining the strong health care delivery system we have in rural America.