

Prepared Statement by Senator Chuck Grassley of Iowa  
Chairman, Senate finance Committee  
Hearing on Drug Pricing in America: A Prescription for Change, Part 1  
Tuesday, January 29, 2019

I want to welcome the witnesses and thank them. The information they will share will help inform the committee as it addresses the issue of high prescription drug prices.

Millions of Americans woke up this morning and started the day with their dose of prescription medication.

For so many of our loved ones who have diabetes, high blood pressure, cystic fibrosis, epilepsy, or other chronic health conditions, prescription drugs are a basic necessity of life.

We need to continue to have a strong research engine to develop new treatments, but we must also have a discussion about the affordability of these drugs.

Today you will hear many numbers describing the costs of prescription drugs.

Those numbers are impressive, but the stories I have heard from patients, doctors, and pharmacists in Iowa have really gotten my attention.

I have heard stories from doctors and pharmacists about skyrocketing prices of commonly used generic drugs. Usually generics are a way to keep costs reasonable.

I have also heard from seniors who have seen their prescriptions increase month after month for no apparent reason.

And I have heard stories about people reducing their life saving medicines, like insulin, to save money.

This is unacceptable and I intend to specifically get to the bottom of the insulin price problem.

But other drugs are creating problems too. That is why tackling high prescription drug costs is one of my first priorities as Chairman of the Senate Finance Committee.

The reasons for these high prices are complex. I plan to hold a series of hearings in order to identify and address these reasons.

We will look at all aspects of the prescription drug market and make changes where necessary.

So, where do we start?

I believe we should start with transparency.

When it comes to drug prices, you should not need a PhD in economics to understand how much your prescription costs.

I believe it starts with putting the list price of a drug on television ads.

I am confident in the ability of Americans to use this information to make the best decision for themselves.

Drug advertisers want to tell consumers all of the benefits of the drugs.

They are required to tell you about side effects.

But they aren't as gung-ho to share how much the drug cost.

The President's blueprint to lower drug prices includes a provision to include the list price on TV ads. The administration has a proposed rule to do just that.

Senator Durbin and I have been vocal in our support of this proposal.

I look forward to the rule being finalized.

Senator Wyden and I introduced the *Right Rebate Act* last week.

When enacted, this bill will close the loop hole that allowed the manufacturer of EpiPen to rip off taxpayers and consumers to as much as \$1.27 billion.

Speaking of transparency:

I want to express my displeasure at the lack of cooperation from the pharmaceutical manufacturers recently.

The Senate Finance Committee has a long history of working in a bipartisan manner to solve difficult problems for the American people.

So, when Ranking Member Wyden and I invited several pharmaceutical companies to come and discuss their ideas to address high drug prices, I was extremely disappointed when only two companies agreed to do that.

The companies that declined said they would discuss their ideas in private, but not in public.

One company mentioned that testifying before the committee would create a language barrier problem.

That is not what I mean when I talk about transparency.

So, we will extend the opportunity again in the future, but we will be more insistent the next time.

Today, however, I want to extend a welcome to the witnesses. I look forward to their testimony.