

Iowa Can Lower the Cost of Prescription Drugs

The state needs to negotiate lower prices for the uninsured

House File 152, introduced by Representative Pam Jochum on January 31, 2005, will give Iowans without prescription drug coverage leverage in the market place.

Our state government can bring down the costs of prescription drugs. Right now, Iowans who do not have prescription drug coverage have little power in the market place. These Iowans pay some of the highest prices for prescription drugs in the world. This legislation would create a pool of Iowans without prescription drug coverage, and the state would negotiate discounts on their behalf from the manufacturers.

Specifically this legislation would:

1. Offer those without prescription drug coverage the option to be added to a large purchasing pool that would also include those using Medicaid.
2. Use the preferred drug list for Iowa's Medicaid program to negotiate rebates and discounts from the pharmaceutical manufacturers. These discounts would apply any time a prescription drug was purchased by or for someone in the pool of Medicaid participants and those without prescription drug coverage.
3. Use some of the savings and rebates for administrative costs and pass the remainder of the discount back to those without prescription drug coverage.
4. Deliver this program using Iowa's retail pharmacies, so Iowans without prescription drug coverage can continue to use their pharmacist of choice.
5. Impose penalties and safeguards that punish pharmaceutical manufacturers that attempt to undermine the efficacy of the purchasing pool.

This legislation represents our government at work finding cost effective solutions for all Iowans. Based on national data, ICAN estimates that as many as 750,000 Iowans do not have prescription drug coverage.

For more information, or to get more involved, please contact ICAN Organizer, Matt Russell at (515)277-5077 or by email mrussell@iowacan.org.