S. 4024. A bill to reduce the costs of prescription drugs for Medicare beneficiaries and to guarantee access to comprehensive prescription drug coverage under part D of the Medicare program, and for other purposes; to the Committee on Finance.

By Mr. MENENDEZ (for himself, Mr. HARKIN, Mr. KERRY, Mr. LEVIN, Mr. LIEBERMAN, Ms. STABENOW, Ms. MIKULSKI, and Mr. DODD):

S.J. Res. 41. A joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. SCHUMER (for himself and Mr. BENNETT):

S. Res. 700. A resolution to provide for the approval of final regulations issued by the Office of Compliance to implement the Veterans Employment Opportunities Act of 1998 that apply to the Senate and employees of the Senate; considered and agreed to.

By Mr. SCHUMER (for himself and Mr. BENNETT):

S. Con. Res. 77. A concurrent resolution to provide for the approval of final regulations issued by the Office of Compliance to implement the Veterans Employment Opportunities Act of 1998 that apply to certain legislative branch employing offices and their covered employees; considered and agreed to.

ADDITIONAL COSPONSORS

S. 167

At the request of Mr. KOHL, the name of the Senator from Pennsylvania (Mr. CASEY) was added as a cosponsor of S. 167, a bill to amend the Omnibus Crime Control and Safe Streets Act of 1968 to enhance the COPS ON THE BEAT grant program, and for other purposes.

S. 3073

At the request of Mr. LEVIN, the name of the Senator from Illinois (Mr. KIRK) was added as a cosponsor of S. 3073, a bill to amend the Federal Water Pollution Control Act to protect and restore the Great Lakes.

S. 4020

At the request of Mr. WICKER, the name of the Senator from Oklahoma (Mr. COBURN) was added as a cosponsor of S. 4020, a bill to protect 10th Amendment rights by providing special standing for State government officials to challenge proposed regulations, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WYDEN (for himself and Ms. SNOWE):

S. 4024. A bill to reduce the costs of prescription drugs for Medicare beneficiaries and to guarantee access to comprehensive prescription drug coverage under part D of the Medicare program, and for other purposes; to the Committee on Finance.

Mr. WYDEN. Mr. President, today, I am pleased to reintroduce the Medicare Enhancements for Needed Drugs Act, the MEND Act, with my colleague, Senator OLYMPIA SNOWE. One of the most important promises of the original Medicare Part D debate, and from the more recent health reform debate, is to drive cost containment in the field of prescription drugs. Allowing Medicare to negotiate for drug prices would be a groundbreaking cost containment measure for a senior who might otherwise be bankrupted by their prescription drug costs. The legislation introduced today clearly prohibits price setting or the creation of a uniform formulary. It simply allows the Medicare program to be a smart shopper by allowing Medicare to go into the market and use its clout just like any other big purchaser.

Certainly, there is a significant group of special interests in this town that do not want the Federal Government to be a smart shopper. The number of lobbyists that have worked against this legislation over the years has been just staggering. For example, the Center for Responsive Politics estimated that last year the pharmaceutical industry spent over $250 million for lobbying to squash initiatives such as this. And make no mistake about what the special interests who oppose this legislation want to do. They would rather soak senior citizens and the taxpayers and add to the budget deficit than to have to negotiate with the Federal Government.

According to CMS actuaries, the Medicare Part D drug benefit is already funded with over $50 billion a year in taxpayer dollars and will cost the country substantially more in the future. To be good stewards of taxpayer dollars, to be able to strengthen the program and to help seniors truly save, Congress must look toward using every logical tool to lower costs. The Congressional Budget Office has indicated that the type of targeted approach to negotiating drug pricing in the MEND Act could potentially generate cost savings for the Medicare program and for beneficiaries. It would be irresponsible for the Congress not to try and potentially achieve savings for a program that so many Americans rely on.

The legislation that Senator SNOWE and I put forward today is a commonsense proposal. Having the Secretary negotiate for more competitive drug pricing is an idea that has broad public support. An AARP poll reported that 87 percent of United States adult residents support government negotiation of prescription drug prices for the Medicare benefit. Young, old, rich, poor, Democrat, Republican—our citizens strongly support this approach and probably wonder why it has taken so long to implement it.

Under the MEND Act, the Secretary could negotiate in any circumstance, but must negotiate in several instances: for single source drugs for which there is no therapeutic equivalent; drugs for which taxpayer funding was substantial in its research and development; and for any fallback prescription plan that Medicare must provide. In addition, this legislation requires the Secretary to provide a fallback plan if there is not comprehensive coverage, including coverage for the so-called ''doughnut hole'', available in a region.

I have always believed that negotiating is not a one-size-fits-all proposition. That is why my good friend, Senator SNOWE, and I have repeatedly proposed language that includes no uniform formulary. This legislation emphasizes the concept of ''bargaining power''—not price controls, not rules set in Washington, DC, not a one-size-fits-all approach, nothing that would discourage innovation among pharmaceutical companies, but simply ''bargaining power.''

All Americans are affected by prescription drug costs. Particularly hard hit are older people, particularly low-income older people, and people with large prescription drug bills. AARP publishes an annual Rx Watchdog report. They note that for the nearly 200 brand-name medications most commonly used by older people, the costs of those medicines had gone up by 9.7 percent over a recent 12-month period, even though the general inflation rate was below 1 percent. This situation is unreasonable and unsustainable, and it is hurting our most vulnerable citizens. As noted by AARP, seniors are affected more than any other segment of the U.S. population by prescription drug cost. Every dollar we can save for a senior citizen is also a dollar saved for the taxpayers, and when you are talking about nearly 30 million seniors enrolled in Part D coverage, that starts to add up to real money for the Medicare program.

If we can save even a little bit we owe it to seniors to do just that. There are seniors who have to pay thousands of dollars for a cancer drug when there are no other options for treatment. Interestingly, some of these life-saving drugs have been developed with our tax dollars, through research sponsored by Federal agencies such as the NIH. Whenever I am in Oregon at a town hall meeting, I am always asked, ''How many times do we have to pay for drugs? Our tax dollars go toward research and development, and then taxpayers have to pay again when the drug is patented and put on the open market.'' In cases where substantial Federal research dollars went into creating the drug, I believe the Secretary ought to step in and see what kind of a better deal can be garnered on behalf of seniors.

I would like to acknowledge Senator SNOWE's efforts on behalf of our Medicare beneficiaries and taxpayers. She and I have worked on this particular issue for a number of years. This bipartisan proposal is an effort to follow up on the promise she and I made to our citizens back home to improve the Part D drug benefit. I thank Senator SNOWE, who is always trying to find common,

bipartisan ground, which is, of course, the only way you get important work done in the Senate. This legislation certainly qualifies as important work. I urge my colleagues to join with us in supporting this bipartisan legislation to contain prescription drug costs for our Nation's seniors.

Ms. SNOWE. Mr. President, I join with my colleague and friend. Senator RON WYDEN, to introduce legislation which we have sponsored since 2004 to ensure the sound fiscal management of the Medicare prescription drug benefit.

Unquestionably, this new benefit marks a milestone for Medicare. Today millions of American seniors are at last receiving assistance with the high cost of prescription drugs. For so many, that will make a difference between choosing whether to take needed medications and providing the other necessities of life. We have indeed come a very long way. We look forward to realizing the many benefits of this coverage as we see the results of more affordable access to prescription drugs—better health for our seniors and substantial health care savings.

At the same time, there is no doubt that this benefit can be improved. We have heard estimates that the average senior is saving an average of $1,000 per year, but we should ask how that saving is being achieved. The discovery by many seniors—when they reached the doughnot hole—that their cost of medications was the same or even higher than what they paid prior to enrolling in Part D—that should be a red flag that we may not be seeing the purchasing power of seniors harnessed for the savings they deserve.

Our system is working well in terms of subsidy, but certainly needs to improve in terms of negotiating substantial discounts. As Senator WYDEN and I learned from GAO reports we have received, the prices of drugs used by seniors have inexorably increased since 2000 at two to three times the inflation rate. According to the New York Times, last year's brand drug price increase average of over 9 percent represents the highest annual rate of inflation for drug prices since 1992.

So the costs of this program will remain a concern. Most of us envisioned that not only would the taxpayer contribute to helping seniors with drug expenses, but we also would realize substantial savings from lower prices on prescription drugs.

That is why Senator WYDEN and I proposed to achieve some balance in the public-private partnership which is Part D today, and it is why today we are again introducing the Medicare Enhancements for Needed Drugs Act—the MEND Act. In this drug benefit the HHS Secretary should have a proper role in negotiation—negotiation, not price setting.

It is clear that what the Congress intended to do was to create a true public-private partnership, utilizing competitive forces to bring more choices to seniors—in drugs, benefit plan designs, pharmacies, and more. So seniors can vote with their pocketbooks, and we can see their choices in the market influence the kind of benefit they receive. That is not the same as a system in which the government sets prices, and that is why our legislation specifically bans such a practice. Under our legislation, the Federal Government cannot set either prices or formularies—that is absolutely clear.

What I believe most of us desire to do is give the current system the best tools to achieve success. That means that the Secretary must have an oversight role. Our legislation rescinds the noninterference clause and directs the Secretary to negotiate for any necessary fallback plan, and in addition, to respond to requests for help from plans which cannot obtain reasonable negotiation.

We have also added two areas in which the Secretary must negotiate. First, as the CBO has stated that negotiation of single-source drugs could yield savings, our legislation directs the Secretary to engage in negotiation regarding those unique products. We also know that some drugs exist because the taxpayer provides substantial support to see them developed. The public deserves a fair price on those products it made possible, so the Secretary should weigh-in in those cases.

Finally, our bill protects beneficiaries by assuring that seniors will have access to a comprehensive coverage option—at least one plan in each region must provide the option to avoid the coverage gap, dreaded doughnut hole. Today, 47 percent of plans offer no coverage, 30 percent only cover generics, and 23 percent cover generics and some brand name drugs.

The bottom line is that our bill protects both beneficiaries and taxpayers within the public-private partnership on which this benefit rests. I call on my colleagues to join us in this effort.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 700—TO PROVIDE FOR THE APPROVAL OF FINAL REGULATIONS ISSUED BY THE OFFICE OF COMPLIANCE TO IMPLEMENT THE VETERANS EMPLOYMENT OPPORTUNITIES ACT OF 1998 THAT APPLY TO THE SENATE AND EMPLOYEES OF THE SENATE

Mr. SCHUMER (for himself and Mr. BENNETT) submitted the following resolution; which was considered and agreed to:

S. RES. 700

Resolved, That the following regulations issued by the Office of Compliance on March 21, 2008, and stated in section 4, with the technical corrections described in section 3 and to the extent applied by section 2, are hereby approved:

SEC. 2. APPLICATION OF REGULATIONS.

(a) IN GENERAL.—For purposes of applying the issued regulations as a body of regulations required by section 304(a)(2)(B)(i) of the Congressional Accountability Act of 1995 (2 U.S.C. 1384(a)(2)(B)(i)), the portions of the issued regulations that are unclassified or classified with an ''S'' designation shall apply to the Senate and employees of the Senate.

(b) DEFINITION.—In this section, the term ''employee of the Senate'' has the meaning given the term in section 101 of the Congressional Accountability Act of 1995 (2 U.S.C. 1301), except as limited by the regulations (as corrected under section 3).

SEC. 3. TECHNICAL CORRECTIONS.

(a) CURRENT NAMES OF OFFICES AND HEADS OF OFFICES.—A reference in the issued regulations—

(1) to the Capitol Guide Board or the Capitol Guide Service (which no longer exist) shall be considered to be a reference to the Office of Congressional Accessibility Services;

(2) to the Capitol Police Board shall be considered to be a reference to the Capitol Police;

(3) to the Senate Restaurants (which are no longer public entities) shall be disregarded; and

(4) in sections 1.110(b) and 1.121(c), to the director of an employing office shall be considered to be a reference to the head of an employing office.

(b) CROSS REFERENCES TO PROVISIONS OF REGULATIONS.—A reference in the issued regulations—

(1) in paragraphs (l) and (m) of section 1.102, to subparagraphs (3) through (8) of paragraph (g) of that section shall be considered to be a reference to paragraph (g) of that section;

(2) in section 1.102(l), to subparagraphs (aa) through (dd) of section 1.102(g) shall be considered to be a reference to subparagraphs (aa) through (dd) of that section (as specified in the regulations classified with an ''H'' classification);

(3) in section 1.102(m), to subparagraphs (aa) through (ee) of section 1.102(g) shall be considered to be a reference to subparagraphs (aa) through (ee) of that section (as specified in the regulations classified with an ''S'' classification);

(4) in section 1.111(d), to section 1.102(o) shall be considered to be a reference to section 1.102(p); and

(5) in section 1.112, to section 1.102(h) shall be considered to be a reference to section 1.102(i).

(c) CROSS REFERENCES TO OTHER PROVISIONS OF LAW.—A reference in the issued regulations—

(1) to the Veterans Employment Opportunities Act shall be considered to be a reference to the Veterans Employment Opportunities Act of 1998;

(2) to 2 U.S.C. 43d(a) shall be considered to be a reference to section 105(a) of the Second Supplemental Appropriations Act, 1978;

(3) to 2 U.S.C. 1316a(3) shall be considered to be a reference to section 4(c)(3) of the Veterans Employment Opportunities Act of 1998;

(4) to 5 U.S.C. 2108(3)(c) shall be considered to be a reference to section 2108(3)(C) of title 5, United States Code;

(5) to the Americans with Disabilities Act shall be considered to be a reference to the Americans with Disabilities Act of 1990;

(6) to the Soil Conservation and Allotment Act shall be considered to be a reference to the Soil Conservation and Domestic Allotment Act; and

(7) to the Agricultural Adjustment Act shall be considered to be a reference to the Agricultural Adjustment Act, reenacted with amendments by the Agricultural Marketing Agreement Act of 1937.

(d) OTHER CORRECTIONS.—In the issued regulations—