



Press Release

AAF's Tara O'Neill Hayes Testifies on Drug Reform Proposals

ANDREW EVANS | FEBRUARY 5, 2020

Members of both chambers of Congress have proposed varying reforms to the drug market in the United States, and specifically to Medicare Part D. AAF's Director of Human Welfare Policy Tara O'Neill Hayes is testifying before the House Ways and Means Subcommittee on Health about options for reforming Medicare Part D and lowering drug prices.

Her central points include:

- Medicare Part D's current structure creates perverse incentives for insurers and drug manufacturers to benefit from high-cost drugs;
- Right now, the program's mandatory discount for a drug decreases proportionately as the price increases, and to solve this problem, each reform proposal would move these discounts to the final, catastrophic phase of insurance coverage, ensuring discounts rise if the price of the drug increases; and
- Each plan also increases insurer liability throughout the benefit, which would, when combined with other reforms, put downward pressure on prices and provide greater financial protection for both seniors and taxpayers.

[Read the Testimony](#)

[Watch the Hearing](#)