

U.S. SENATOR BOB CASEY



CHAIRMAN Special Committee on Aging

The Capping Prescription Costs Act

U.S. Senators Bob Casey and Reverend Raphael Warnock

Why Do We Need the Capping Prescription Costs Act?

Over 60 percent of adults take at least one prescription drug and over 25 percent of adults take four or more prescription drugs. Of those who take four or more prescription drugs, 37 percent note that they have trouble affording all of their prescriptions. Americans often pay more for the same prescription drugs than people in other countries.

Due to the cost burden of prescription drugs in America, patients often cannot afford their medications as prescribed. This results in patients skipping doses, cutting doses in half, or taking over-the-counter medications instead of their prescriptions. One study found that 31 percent of patients did not take their medications as prescribed due to cost.

Congress has taken steps to improve the affordability of prescription drugs. The Inflation Reduction Act of 2022 (IRA), which was signed into law on August 16, 2022, took significant steps to lower drug costs for seniors. Starting in 2025, the law caps out-of-pocket drug costs at \$2,000 a year for Medicare Part D beneficiaries. This provision will save Medicare beneficiaries an estimated \$7.4 billion in 2025, helping over 18 million beneficiaries afford their prescription medications.

What Does the Capping Prescription Costs Act do?

The Capping Prescription Costs Act expands on the success of the IRA and extends prescription drug cost savings to the commercial health care market. Specifically, the bill caps individual cost-sharing for prescription drugs to \$2,000 annually and caps family cost-sharing for prescription drugs to \$4,000 annually. These caps apply to both group health plans and marketplace health plans.

Nationwide, 173 million people under age 65 have private health insurance, either from an employer plan (155 million) or the non-group market (18 million). The Capping Prescription Drug Costs Act will ensure that prescription drugs are more affordable for these millions of Americans.

Support for the Capping Prescription Costs Act

The Capping Prescription Costs Act is endorsed by Protect Our Care, First Focus Campaign for Children, and the Pennsylvania Health Access Network.