# PCMA's *The Critical Path Forward* Will Save Taxpayers \$255.5 Billion Over 10 Years

The Critical Path Forward is our three-part approach to lower prescription drug costs and make high-quality pharmaceutical care even more accessible. By updating Medicare Part D, enhancing competition to lower drug costs, and building a more value-driven health care system, our approach would save taxpayers \$255.5 billion over a decade.

## **TOTAL 10-YEAR FEDERAL SAVINGS: \$255.5 TO \$398.7 BILLION**



#### PART 1. UPDATE MEDICARE PART D

We are proposing a number of policies to make Medicare Part D even more affordable, including by capping out-of-pocket costs, ending misaligned incentives that keep drug prices high, building on Part's D record of choice and competition, and keeping premiums affordable by repealing the rebate rule.

**CBO SCORE** 

**OTHER SCORES** 

**FEDERAL SAVINGS OF PART 1** 

**\$196.3 BILLION** 

**\$280.3 BILLION** 



### PART 2. END ANTICOMPETITIVE PRACTICES AND ENHANCE COMPETITION

As we work together to bring greater savings to Medicare beneficiaries, we must focus on real solutions to lower drug costs for *everyone* by unleashing competition among drug-makers. That's why we support policies to limit patent and exclusivity abuses—like "patent thickets" and "evergreening"—that block competition and keep drug prices high. We also need solutions that make sure drugs compete fairly, including more cost-effective generics and biosimilars.

CBO SCORE

**OTHER SCORES** 

FEDERAL SAVINGS OF PART 2

\$59.1 BILLION

**\$118.3 BILLION** 



#### PART 3. BUILD A VALUE-DRIVEN, EQUITABLE HEALTH CARE SYSTEM

More health care isn't always better care. That's why we are proposing policies to accelerate value-based and patient-focused care, bring the same value-driven tools used by employers to Medicare and Medicaid, promote rigorous evidence of drugs' performance in the real world, and drive a concerted focus to mitigate health care disparities and inequities.

**CBO SCORE** 

OTHER SCORES

FEDERAL SAVINGS OF PART 3

\$33 MILLION

\$18 MILLION

Source: The Critical Path Forward: Rx Policies to Reduce Patient Costs, Improve Access

**Methodology:** The total savings estimate is based on Congressional Budget Office (CBO) scores of legislative proposals that correspond with the policy platform's provisions. The other scores considered include those of the Office of Management and Budget (OMB), Centers for Medicare & Medicaid Services (CMS), Federal Trade Commission (FTC), Federal Drug Administration (FDA), and select non-governmental sources.

