International Association of

BRIDGE, STRUCTURAL, ORNAMENTAL AND REINFORCING IRON WORKERS

WALTER W. WISE GENERAL PRESIDENT 202 383-4810 Affiliated with AFL-CIO



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May 21, 2013

The Honorable Bill Nelson 716 Hart Senate Office Building Washington, DC 20510

Dear Chairman Nelson:

I urge you to protect the Medicare Part D prescription drug program and the many important benefits it delivers to working Americans. Since its implementation, Medicare Part D has evolved into a popular, effective, and cost-efficient program that millions of American workers rely on to provide important cost-saving benefits.

Sadly, the Part D benefit is currently under threat. In his budget proposal, President Barack Obama laid out a plan to impose rebates in the program. Legislation mandating such rebates has been introduced in Congress, in the Senate by West Virginia's Jay Rockefeller and in the House by California Representative Henry Waxman. These "rebates" would go from pharmaceutical companies to the government. There would be no added benefit for Part D enrollees.

According to a 2009 Battelle study, proposed changes to Part D – including the aforementioned rebates – could eliminate between 130,000 and 260,000 jobs from the industry. The pharmaceutical industry supports 3.2 million jobs nationwide, many in the unionized construction sector. These cuts would result in a trickledown effect that threatens our nation's skilled builders and craftsmen – a group of workers that is already facing unemployment at nearly double the national average.

The "savings" secured by the government would result in cost-shifting to private providers — which in turn will impact the multi-employer plans utilized by union members. The results for union workers would be higher premiums and reduced access to prescription drugs.

Tampering with the Part D program will deal a double blow in jobs and costs to unionized construction workers, and union members in general that have provided for their healthcare under a collective bargaining agreement for decades.

We understand that everyone must do their part to help rein in healthcare costs. But we ask that you not impose further burdens on an industry and our members who have already made significant contributions to the new health reform law, to our economy, to public health, and to job growth.

Sincerely yours,

GENERAL PRESIDENT

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