



Santa Clara County  
DEMOCRATIC PARTY

## The Democratic Party: The Party That Created Medicare For America's Seniors

The Bush White House Gift to the Pharmaceutical Industry:  
Bad Medicine for America's Greatest Generation

My dad was a member of the Greatest Generation that achieved victory in World War II. This was the generation that saved the world from fascism, came home and built the great American middle class, led the way in the civil rights movement, protected our environment, and created great programs like Medicare.

. . . I'm unveiling a new Compact with America's Seniors that will be a building block for the initiatives seniors can count on . . . My Compact with America's Seniors says the Greatest Generation should be able to count on Medicare and Social Security, on affordable prescription drugs, on quality options for long-term care. You've earned it."

[Democratic Presidential Candidate John Kerry](#)

### [The White House Gift to the Pharmaceutical Industry](#)

In 1965, over 80% of House and Senate Democrats voted to create the federal Medicare government program for our nation's seniors. Only 50% of Republicans voted for Medicare; most Republican leaders including Senator Bob Dole voted against it.

"President Clinton, who had offered Republicans a deal to boost the drug coverage in exchange for tax cuts elsewhere, said, 'the bottom line is their plan is designed to benefit the companies who make the prescription drugs, not the older Americans who need to take them.'"

In 2003, over 80% of Republicans supported placing Medicare's prescription drug benefit in the hands of private pharmaceutical companies. In contrast, 80% of Democrats rejected transferring Medicare's prescription drug plan to private companies. [[Legislative History: Vote Tallies for Passage of Medicare in 1965](#); "House Passes GOP Prescription Drug Bill," [CNN](#), 6/28/00; "Senate Passes Medicare Bill," [CNN 'Inside Politics](#),' 11/25/03; "Arm-twisting Wins 220-215 Medicare Vote," [Washington Times](#), 11/23/03]

"These [Medicare] reforms are the act of a vibrant and compassionate government."

George W. Bush, [CNN](#), 12/8/03

That's what Bush said. It's not what his prescription drug plan does.

[BUSH AND HIS REPUBLICAN COHORTS BETRAYED AMERICA'S SENIORS WITH PHONY MEDICARE DRUG PLAN](#)

[REPUBLICAN SENATOR MCCAIN: BUSH ADMINISTRATION PLAN GIVES BILLIONS IN PROFITS TO DRUG COMPANIES](#)

[KERRY'S COMPACT WITH THE GREATEST GENERATION: PROVIDING AFFORDABLE PRESCRIPTION DRUGS](#)

"And now that the Greatest Generation is getting older, I think it is the responsibility of all Americans to make sure we do our part for America's seniors. You have earned the best of America — and we need to make sure you get the protection and health care you deserve."

— Democratic Presidential Candidate John Kerry

## BUSH AND HIS REPUBLICAN COHORTS BETRAYED AMERICA'S SENIORS WITH PHONY MEDICARE DRUG PLAN Republicans Overwhelmingly Supported Bush Administration's Corporate-Written Prescription Drug Bill.

In the Senate, 80% of Republicans supported Bush's corporate-written prescription drug bill and 84% of House Republicans also voted to support privatizing Medicare's prescription drug coverage. In contrast, 80% (190) of House Democrats and 80% (35) of Democratic Senators voted to reject privatizing Medicare's prescription drug plan. ["Senate Passes Medicare Bill" [CNN Inside Politics](#), 11/25/03; "Arm-twisting Wins 220-215 Medicare Vote," [Washington Times](#), 11/23/03]

**Republicans Lost Initial Vote, Abused Rules, Twisted Arms, Delivered Votes For Bush.** "The voting usually lasts between 15 minutes and half an hour while members come to the chamber and record their votes. But an hour into the Medicare vote, Republicans were losing, 216-218, and simply refused to gavel the vote closed until they swung enough votes to win. Top Republicans and Health and Human Services Secretary Tommy G. Thompson prowled the floor for two hours, until they convinced some Republicans to change their votes. Republicans would not let the measure die and refused to end the vote until enough lawmakers switched from 'No' to 'Yes.' After substantial arm-twisting by Republican leaders, the Medicare bill passed at 5:53 a.m. by a vote of 220-215." ["Arm-twisting Wins 220-215 Medicare Vote," [Washington Times](#), 11/23/03]

"[Republicans] grossly abused the rules of the House by holding the vote open. The House expressed its will, 216-218,' said Rep. Jerrold Nadler, New York Democrat. 'It means it's a dictatorship. It means you hold the vote open until you have the votes.'" ["Arm-twisting Wins 220-215 Medicare Vote," [Washington Times](#), 11/23/03]

## After Sealing Deal, White House Lobbyist Directly Goes To Work For Pharmaceutical Industry

"I appreciate Tom Scully, the Administrator of the Center for Medicare and Medicaid Services, for his good work."  
—George W. Bush, signing into law the [Prescription Drug Benefit Bill](#)

Ten days after successfully negotiating a [multi-] billion [dollar] a year profit for the pharmaceutical industry, White House lobbyist Tom Scully announced he would be joining two of the pharmaceutical firms affected by the bill. ["Conflict of Interest of Former Medicare Chief Scully," [Public Citizen](#), 1/14/04; "Medicare Drug Prescription for Seniors Remains Unfilled," [Arizona Republic](#), 12/1/03]

## AARP CEO: Big Ally of Republican Newt Gingrich -- AARP Sold Out America's Seniors

"Bill Novelli, the CEO of AARP, stood strong in representing the people he was supposed to represent and he worked hard to get this legislation passed." [emphasis added]

—George W. Bush, signing into law the [Medicare Prescription Drug Benefit Bill](#)

"[AARP CEO Bill] Novelli . . . wrote the introduction to a recent health care book by former House speaker Newt Gingrich, (a Republican).' Former Congressman Gingrich is famous for pushing to end Medicare, to have it 'wither on the vine.'" ["AARP Leader Answers Critics on Medicare Bill," [USA Today](#), 12/10/03]

## Bush Campaign Contributor Wrote Legislation to Benefit Own Company

"David Halbert, a longtime friend and contributor to several of Bush's campaigns, helped craft the portion of the Medicare bill that allows seniors to buy discount drug cards they can use to purchase medicine from May of 2004 until 2006, when prescription drugs will begin to be covered by Medicare. Halbert's company, [Irving, Texas-based] AdvancePCS, is one of the nation's largest pharmacy benefit management companies and would be well positioned to compete for Medicare's endorsement to issue the discount cards. ["Bush Ally's Firm Vies for Medicare Cards," [Boston Globe](#), 12/12/03]

## Pharmaceutical Profits Estimated at \$139 Billion With OLD Price Tag of \$395 Billion. Profits Not Yet Known With REAL Price Tag Of Almost \$552 Billion

"The pharmaceutical industry will reap a whopping \$139 billion under the Medicare prescription drug legislation in Congress, according to a new report. The [Health Reform Program at Boston University's School of Public Health](#) finds the Medicare bill, now in a U.S. House and Senate conference committee, does not contain mechanisms to control prices and does not allow Medicare to negotiate prices for prescription medication." [See [Health Reform Program at Boston University's School of Public Health](#) 10/31/03]

The report, [61 Percent of Medicare's New Prescription Drug Subsidy Is Windfall Profit to Drug Makers](#), says, "Given the remarkably low real cost of producing the added volumes of pills that Medicare patients need," the lack of price controls in the Medicare bill will give enormous windfall profits to prescription drug makers" [See "New Medicare Rx Benefit Means Big Profits for Drug Makers" [Health Reform Program](#), Boston University's School of Public Health, 10/31/03]

## REPUBLICAN SENATOR MCCAIN: BUSH ADMINISTRATION PLAN GIVES BILLIONS IN PROFITS TO DRUG COMPANIES

Senator John McCain: "[T]axpayers will provide billion(s) a year in increased profits to the pharmaceutical industry." ["Medicare Drug Prescription for Seniors Remains Unfilled," [Arizona Republic](#), 12/1/03]

"Bush's plan pays billions of dollars in unwarranted subsidies to HMO's and other managed care plans, paying them more than it would cost for regular Medicare to provide the same services." [Statement by Robert Greenstein, [Center on Budget and Policy Priorities](#), Dec. 8, 2003]

From 2000 to the end of 2003, pharmaceutical companies had invested over \$40 million dollars in Republican federal campaigns. ["Pharmaceutical/Health Products: Long Term Trends," [Center for Responsive Politics](#) ]

## KERRY'S COMPACT WITH THE GREATEST GENERATION: PROVIDING AFFORDABLE PRESCRIPTION DRUGS

### [John Kerry's Compact with the Greatest Generation](#)

#### Keeping Our Word on Affordable Prescription Drugs

- Cutting Costs. Prescription drug prices are up almost 20%, gouging seniors and making health care more expensive while pharmaceutical companies are paying CEOs and other executive officers multi-million dollar salaries and excessive perks. To make prescription drugs affordable for our seniors, John Kerry's plan will eradicate such examples of pharmaceutical industry corporate greed.
- A Real Medicare Prescription Drug Benefit. Too many politicians believe a Medicare prescription drug plan should benefit pharmaceutical companies, not seniors. John Kerry supports an affordable Medicare prescription drug plan that:
  - Doesn't force seniors into HMOs
  - Is run by Medicare – not private insurance companies
  - Doesn't undermine drug coverage seniors currently have
  - Benefits seniors with average prescription drug costs as well seniors with highest prescription drug costs

For more information, see John Kerry's [Plan to Lower Prescription Drug Prices for Seniors](#).

Also read John Kerry's [Compact with the Greatest Generation](#).



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