



Legislation Text

File #: Res 2034-2001, **Version:** *

Res. No. 2034

Resolution calling upon the Congress of the United States and the Veterans Administration to maintain the current level of co-payments for prescription drugs for eligible veterans.

By Council Members Harrison, Clarke, Freed, Henry, Marshall, Nelson, Pinkett, Warden, Golden and Stabile; also Council Members Eisland, Koslowitz, Lopez, Michels, O'Donovan, Povman, Quinn, Sabini and Abel

Whereas, The increasing cost of prescription drugs has created a crisis for most older Americans; and

Whereas, In the July 16, 2001 issue of Federal Register, the Department of Veterans Affairs (the "VA") proposed raising the co-payment for prescription drugs for eligible veterans from \$2 to \$7, up to a maximum of \$840 per year with the increase taking effect in late 2001 and continuing through December 31, 2002; and

Whereas, Under the Veterans Administration (VA) proposal, following that date, the co-payment and the cap would rise each year with the prescription drug component of the Medical Consumer Price Index; and

Whereas, In order to cut costs, Congress established seven categories of veterans, giving higher priority for health care access to veterans with service-connected wounds, disabilities and health problems and the very poor; and

Whereas, There would be no cap on co-payments for veterans in "priority category 7," those who have no service-connected medical problems, earn more than \$10,000 yearly for a single individual and \$12,000 yearly for a couple, and who have agreed to make co-payments; and

Whereas, Many veterans in category seven, especially the elderly, earn very little more than \$10,000 and would be severely impacted by increased co-payments if they must take several prescription drugs daily; and

Whereas, The VA noted that 1.1 million veterans averaged 47 30-day prescriptions last year costing \$94 in co-payments which, under the proposed rules, would cost \$329 in co-payments and increase the VA co-payment receipts from \$101 million in 2000 to \$250 million; and

Whereas, While the VA gets discounts for volume buying, a VA spokesman was quoted in a August 8, 2001 Newsday article, "Vets Face Rise in Drug Co-Payments" as stating that "Our spending on medical care is far exceeding our budget because of the high prices of drugs. We've tried to protect veterans' pocketbooks as long as we could"; and

Whereas, The VA proposal is subject to review within the VA and by Congress; now, therefore, be it

Resolved, That the Council of the City of New York calls upon the Congress of the United States and the Veterans Administration to maintain its current level of co-payments for prescription drugs for eligible veterans.

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