Opening Statement
Health Subcommittee Hearing: "Examining the Drug Supply Chain"
Rep. Gene Green
December 13, 2017

Thank you Mr. Chairman, and thank you to our witnesses for being here this morning.

Too many Americans face real barriers to accessing the medications they need.

Annual drug spending in the U.S. is expected to reach more than $500 billion by 2018.

In 2015, the rise prescription drug spending outpaced all other health care services, surpassing hospital care as well as physician and clinical services.

While new life-changing and life-saving therapies continue to enter the market each year, patients must be able to afford these treatments in order to benefit from these breakthroughs.

The issue of high drug costs is not a simple challenge with a simple solution.

Instances of bad actors buying up off-patent generic drugs only made by one manufacturer and astronomically jacking up the price poses one type of challenge, while breakthrough treatments capable of curing previously un-curable disease but have a staggering price tag poses a different one.

These challenges are magnified by the proliferation of high-deductible plans, which expose more and more consumers to the full list price of their medications.

We have a responsibility to explore the full spectrum of the supply chain to protect patients, which are distinct for generic and brand-name drugs, and frustratingly complex.

The United States leads the world in biomedical development, but having 21st century cures means much less if people cannot access them because of high prices.

It is important to also recognize that pharmaceutical companies sponsor the research that leads to these advances.

We must find workable solutions that incentivize competition in the pharmaceutical marketplace, reward value, and encourage the development of affordable and high quality drugs.

We must also monitor steep prescription drug price increases when they arise, particularly when no additional research and development has occurred.

There are a number of policy proposals that have been presented to address the issue of high prescription drug costs.

Transparency and value-based approaches are some of the keys to market-based reforms that will lead to better prices, continued investment in research and development, and ensure that taxpayers receive a real return on their investment.

I want to note that in the pursuit of lower drug prices, Congress must be careful to avoid policies that will diminish patient safety.

Filing an application with the FDA is the last step in what can be a decade’s long process to get from the lab table to the bedside.

Proposals that would lower FDA safety and effective standards, effectively outsource FDA oversight to other countries, or push stage

three trials into the post-approval space are unlikely to translate into meaning savings for consumers and are likely put patients at risk.

Making the FDA approval process as sophisticated and efficient as it can be is one thing, but rolling back patient protections in the name of lower drug prices is not an acceptable path.

We should be looking at how we pay for drugs, and reward real value in order to safely and meaningfully address the rising costs of prescription drugs.

Following our bipartisan work on the 21st Century Cures Act and our recent work to reauthorize the FDA user fee programs, it is my hope that we can advance bipartisan policies to address rising drug costs.

This problem demands a bipartisan, thoughtful process that includes the full spectrum of stakeholders.

The American people expect us to work together to find answers and I believe we can do so.

Thank you all for being here today, and I look forward to today's discussion.