

Republican Leader Michael C. Burgess, M.D.
Energy & Commerce Subcommittee on Health
“Lowering Prescription Drug Prices:
Deconstructing the Drug Supply Chain”
Thursday, May 9th, 2019
As Prepared for Delivery

Thank you, Chairwoman Eshoo. I appreciate your work in organizing the hearing we are holding this morning. When the two of us sat down at the start of your term as Chair to discuss bipartisan goals for this Congress, we agreed that the drug supply chain hearing that I chaired in December 2017 was immensely helpful. Today’s hearing is similar in nature to that hearing we held last Congress but provides a more company-specific, rather than industry-wide, perspective of each link in the drug supply chain.

I am hopeful that the witnesses here today will impart their firsthand experience and knowledge of the supply chain onto the Members of this Subcommittee and build upon the foundation we laid last Congress.

The nature of the current U.S. drug supply chain system is complex and has multiple stakeholders involved in each step of the price negotiation process. There are also actors who are essential to the supply chain, but that do not affect the price of a medication. Bringing these stakeholders to the table today will provide us with an opportunity to learn about each player's roll in the drug supply chain as well as their impact, if any, on pricing and help to inform our decisions as Congress moves forward in its efforts to address drug pricing.

It is my hope our discussion today is substantive and largely focused on the patients who are prescribed these medications because, at the end of the day, they are who matter most in this conversation. They are bearing the cost of these medications.

Prescription drugs continue to play a vital role in the United States health care system, from significantly improving patients' lives to

producing health care savings through fewer hospitalizations and medical procedures. A patient's access to prescription drugs is a key healthcare issue for Americans, and within that context is the debate over affordability.

Improving access to life-saving treatments for consumers is a bipartisan priority, and I would like to see us continue to build upon the successes that we have seen from 21st Century Cures and other pieces of legislation to spur biomedical innovation. That being said, it is imperative to ensure that our health care system is ready to pay for the treatments and cures in today's development pipelines when they reach patients in tomorrow's hospitals and doctors' offices.

I hope that this hearing will shed some light on the inner workings of price negotiations between the stakeholders. This Subcommittee has done good work on the issue of drug pricing this Congress, especially with the Purple Book and Orange Book bills passing the House

yesterday, but I hope that we can find a bipartisan way to move forward with additional legislation.

The hearing last Congress involved a fair amount of finger-pointing among witnesses, and I expect that we will see a bit of that today. I would like to remind our witnesses that our goal is to solve a problem, and that we have invited you this morning to offer quality input so that your voice can be heard.

While there are legitimate differences of opinion, I recognize that every participant here this morning does aspire to the common goal of saving lives and alleviating human suffering. Out of these areas of disagreement – I hope to identify areas of consensus so that we can begin delivering solutions to the problems identified this morning.

Thank you, Chairwoman Eshoo, I yield back.