

Opening Statement of Republican Leader Greg Walden
Subcommittee on Health
“Improving Drug Pricing Transparency and Lowering Prices for American Consumers”
May 21, 2019

As Prepared for Delivery

Patients need our help to force down the price of their medical care, especially when it comes to the cost of drugs. What good is a prescription if a patient cannot afford to pay for their medicine?

Drug pricing is of great concern to all Americans. It’s come up at nearly every one of the 20 town halls I’ve held this year in my district. Blockbuster drugs come with budget-busting prices. Too often prices continue to rise, and while there are numerous reasons given, patients rely on these medications. When market forces weaken or fail, then we need to step in with federal, commonsense legislation.

We have taken steps recently, by passing into law a requirement that companies pay the proper rebate under the Medicaid program. We have passed the orange and purple book reforms on the House Floor. And while I remain dismayed by the unnecessarily partisan approach when the bill came to the Floor, we did reach agreement through bipartisan negotiation on several other provisions that will increase the availability of generic drugs.

This subcommittee has also built off the foundation we laid last Congress by examining how the Medicare program pays for drugs and peeling back the layers of the pharmaceutical pricing and supply chain, and I thank the Chair for her leadership in that regard.

I am glad we are examining legislation that I hope we can find bipartisan agreement on, but we must also ensure that in these efforts we are actually pursuing policies that will provide a benefit for patients. We need to ensure that as we work to shine a light on how drugs come to market and are priced that we realize that the market must also be sustainable to produce the next generation of cures and treatments. We are living in a time of innovation that is producing cures for conditions we didn't even have a name for 30 years ago. The promise of what lies ahead is truly staggering in their ability to relieve human suffering from conditions from hemophilia to sickle cell to muscular dystrophy.

So, in our efforts to bring more transparency to the system, which I support, we must inherently first, do no harm. For example, I am concerned that provisions of some of the bills before us could allow manufacturers to "back in" the rebates paid by their competitors or allow wholesaler stockpiling that could lead to shortages in an attempt to provide notification of price increases.

As I mentioned, this committee has been a leader in encouraging the innovation that patients are benefiting from today through our work on FDA user fees and 21st Century Cures. While the results of those efforts are truly remarkable we also know that the cost of bringing a drug to market, especially one that targets an orphan or neglected disease, is high. We should not randomly categorize as bad actors those who have done what this committee has encouraged them to do: invest in cutting-edge therapies like gene editing and regenerative medicine because their list price is over an arbitrary amount. Because I can tell you, these new drugs improve or save lives. That's better than investing in just another "me too drug."

In that light I believe any policies pursued by this committee must put the patient front and center. That is why as currently drafted I am concerned about policies that could have the risk of decreasing the ability of physicians to provide patients samples of drugs to help those who cannot afford their medication, those who may have prior authorization or coverage issues from starting treatment, to inform medical judgement or help patient's manage side effects related to their current medication.

Working in a bipartisan spirit, with the help of our witnesses today, I'm hopeful we can address my concerns.

On a final note, thanks to you, Chairwoman Eshoo and Chairman Pallone for exercising our Committee's jurisdiction on these bills. While most have been marked up by other committees, we are the committee of primary jurisdiction.