



GARY R. JONES, *PRESIDENT* RAY CURRY, *SECRETARY-TREASURER*
VICE-PRESIDENTS: TERRY DITTES • CINDY ESTRADA • RORY L. GAMBLE

September 24, 2019

The Honorable Frank Pallone
Chairman
House Energy and Commerce Committee
2125 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Anna Eshoo
Chairperson, Health Subcommittee
Committee on Energy and Commerce
2125 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Pallone and Chairperson Eshoo,

On behalf of the International Union, United Automobile, Aerospace and Agricultural Implement Workers of America (UAW) and our one million active and retired members, I am writing in advance of the Energy and Commerce Subcommittee on Health hearing, "Making Prescription Drugs More Affordable: Legislation to Negotiate A Better Deal for Americans" scheduled on September 25, 2019. We are deeply concerned about the skyrocketing cost of prescription drugs and the impact it has on working families across the country. UAW members, retirees and their families are no exception. Bold, policy solutions are needed to drive down the cost of prescription drugs. We strongly believe that the Lower Prescription Drug Costs Now Act (H.R.3) is a step in the right direction.

The rising cost of prescription drugs is a major concern for UAW members and retirees. The UAW Retiree Medical Benefits Trust (the "Trust") provides health care benefits to retired UAW members who formerly worked for GM, Ford and Chrysler, along with their spouses, surviving spouses and dependents. Currently, the Trust provides health care benefits to more than 656,271 persons. The costs of health care have increased substantially over the years, while our members' retirement incomes remain fixed.

The skyrocketing costs of prescription drugs needs to be addressed. From 2014 to 2017, the Trust's single largest drug spend was for insulin. In 2018, insulin products represented our second largest drug spend (surpassed by only very expensive oncology medications). In 2018,

the Trust spent \$235.2 million on insulin. Although insulin has been used in the treatment of diabetes for over 90 years, the cost of insulin has nearly doubled from 2012-2016. Lowering costs of prescription drugs and holding PHARMA accountable for price gouging is one of many fights we are fighting.

We believe that the Committee should take swift action to drive down the cost of prescription drugs. It is unfathomable that working families often ration their medication or skip life-saving drugs all together because they cannot afford the cost. UAW retirees should not have to worry about the how they are going afford their prescriptions on a fixed income when they are paying for housing, food and other needs in their golden years.

UAW has long supported various approaches to ensure working families have access to affordable health care. That is why the UAW advocated for passage of Medicare, Medicaid and the Affordable Care Act (ACA) and are now urging Congress to pass bold reforms to drive down the cost of prescription drugs. We are pleased that the Committee is discussing various approaches to make prescription drugs more affordable. The Lower Prescription Drug Costs Now Act (H.R.3) and the Medicare Negotiation and Competitive Licensing Act (H.R. 1046) hold much promise and we look forward to working with you and the Committee to make further improvements.

We hope that Congress will take steps to increase transparency on the rising cost of insulin and other high cost drugs, hold pharmaceutical companies accountable for price gouging and increase market competition to ensure that consumers can afford life-saving medications. We applaud the Committee for taking a serious look at proposals that would achieve these goals.

Sincerely,

A handwritten signature in blue ink, appearing to read 'J. Nassar', with a long horizontal flourish extending to the right.

Josh Nassar
Legislative Affairs Director