September 13, 2021

Congressman Frank Pallone, Jr. Chairman Energy & Commerce Committee 2125 Rayburn House Office Building Washington, DC 20515 Congresswoman Cathy McMorris Rodgers Ranking Member Energy & Commerce Committee 2322 Rayburn House Office Building Washington, DC 20515

Dear Chairman Pallone and Ranking Member McMorris Rodgers,

The undersigned organizations write to voice our concern and opposition to the inclusion of policies like H.R. 3 in the upcoming reconciliation package.

The legislation and other reference pricing policies threaten to significantly reduce the number of medicines available to treat and cure disease. A recent study on the impact of H.R. 3 found that its passage would likely lead to <u>61 fewer medicines</u> over 10 years. These products most likely will be the most innovative and curative medicines and vaccines the world has ever seen, which would be a significant loss to society and global health.

Proponents of these policies grossly simplify them as 'negotiation' proposals, without acknowledging that Medicare Part D plans effectively negotiate with pharmaceutical manufacturers and pharmacies to keep premiums and costs low, and access to medications high. As a result, Part D is a highly successful program that has come in under budget with premiums well below initial CBO projections. Congress was careful to protect patient access when constructing Part D. For example, the law requires robust formularies including at least two drugs per class, rigid pharmacy and therapeutics committee approval of medicines, and appeal rights for patients.

H.R. 3 threatens to upend this carefully designed structure by unraveling a successful benefit for seniors and replacing it with government price setting mechanisms used abroad to restrict patient access to needed health care interventions and treatments. CBO has repeatedly said allowing HHS to negotiate will not lower costs without additional restrictions on patient access. In fact, limiting access to medicine will accelerate disease progression, sicker patients, and higher costs

While rising healthcare costs must be addressed, our organizations support policies that promote competition and transparency, which foster more affordable options and improved access for patients in need. H.R. 3 does not meet that mark. Instead, it will limit access to a variety of medicines and stifle future medical advancement at a time when access and increased patient choice is paramount.

Lawmakers must not choose to sacrifice innovation, access, and the quality of our healthcare in the name of government savings. We urge you to reject reforms that limit patient access or that rely on international or domestic price controls as the Committee evaluates H.R. 3 or similar proposals.

Sincerely,

America's Business Benefit Association Chronic Care Policy Alliance Coalition of Texans with Disabilities

Coalition of Wisconsin Aging and Health Groups Color of Crohn's and Chronic Illness Communicating for America, Inc. Consumer Action for a Strong Economy **Conservatives for Property Rights** Council for Affordable Health Coverage debra of America Global Colon Cancer Association Healthcare Leadership Council HIV + Hepatitis Policy Institute International Cancer Advocacy Network Illinois Biotechnology Innovation Organization **MLD** Foundation National Taxpayers Union Noah's Hope- Hope4Bridget Foundation Rare Access Action Project Small Business & Entrepreneurship Council SYNGAP1 Foundation The Ryan Foundation Taylor's Tale