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March 12, 2019

The Honorable Anna G. Eshoo
Chairwoman, Subcommittee on Health
Committee on Energy and Commerce
U. S. House of Representatives
Washington, D.C. 20515

The Honorable Michael C. Burgess
Ranking Member, Subcommittee on Health
Committee on Energy and Commerce
U. S. House of Representatives
Washington, D.C. 20515

Dear Chairwoman Eshoo and Ranking Member Burgess:

On behalf of the members of the American Federation of State County and Municipal Employees (AFSCME), I am writing in support of the subcommittee's efforts to examine legislative proposals to lower prescription drug prices for all Americans. It shouldn't matter whether people get their health coverage through employer-sponsored insurance, Medicare, Medicaid or other sources; drug prices are too high and drug companies have gone unchecked for too long.

In fact, when there is no limit on prescription drug prices, we all suffer. Families have a tougher time getting access to lifesaving medications and treatments. The high cost of drugs is passed onto working families through higher premiums and increased cost-sharing. The struggle to pay for costly medicines puts the financial security of families in jeopardy. Even with health care insurance, out-of-pocket costs for prescription drugs can take a financial toll. For example, adult cancer patients are 2.65 times more likely to file for bankruptcy than their cohorts without cancer.

We want to highlight three bills being considered today that deserve support. These proposals tackle ways in which drug companies seek to erect barriers to the availability of more affordable prescription drugs.

The "CREATES Act of 2019" (H.R. 965) would help put a stop to games played by brand name drug companies to impede competition from generics. Some brand name drug companies delay or deny the sales of samples needed to conduct testing necessary for purposes of FDA approval. Some brand name companies also obstruct the development of needed shared safety procedures for both brand name and generic versions of a drug. These efforts thwart the development and market entry of generics. H.R. 965 would give key stakeholders the needed authority and tools to stop these dilatory practices and allow safe generics to be developed and accessible.

The "FAST Generics Act of 2019" (H.R. 985) also seeks to address the delay tactics brand name drug companies use to deny adequate quantities of samples for testing needed to develop generic versions. It also addresses efforts to block the development of a single shared safety procedure.

The "Protecting Consumers Access to Generic Drugs Act" (H.R. 1499) would make it illegal for brand name and generic drug companies to enter into "pay-for-delay" agreements. Brand name drug companies use these anticompetitive agreements to keep generic equivalents off the market as their patent exclusivity is ending.

We encourage the subcommittee to move forward on these and other legislative proposals to lower drug prices.

Sincerely,

Scott Frey
Director of Federal Government Affairs

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