

May 1, 2023

Dear Members of the 118th Senate,

As organizations representing patients, consumers, seniors, churches, students, and disease advocacy groups we are grateful to see movement on critical issues such as access to health care and prescription drugs. We urge the Senate to immediately act on legislation to lower drug prices through increased competition, transparency, and accountability.

[One in four](#) people in the United States (U.S.) has difficulty affording medications, including an estimated [3.5 million](#) adults age 65 and older. People of color are [disproportionately harmed](#) by high drug prices, which contribute to the fact that uninsured Latinos and Black Americans use 10-40% fewer medications than their White counterparts. Further, among adults 65 and older, Latino and Black adults are roughly 1.5 [times more likely](#) to have trouble affording needed medications than Non-Latino White adults and 2 times as likely not to get needed prescriptions due to cost.

Drug companies in the U.S. have unlimited, unilateral pricing power during time-limited monopoly periods awarded by the U.S. Patent and Trademark Office (USPTO) and the Food and Drug Administration (FDA.) Many big drug companies prolong these monopoly periods by employing anti-competitive tactics exploiting loopholes in our patent laws to block competition, while patients, employers, and taxpayers are left paying prices that are [up to four times](#) what other wealthy nations pay for the exact same brand name drugs.

Downstream in the supply chain, three large pharmacy benefit managers (PBMs) dominate roughly 80 percent of the drug market. PBMs argue that this concentrated market share allows them to negotiate effectively with drug companies. However, there are growing concerns that some opaque business practices of PBMs may be contributing to higher prescription drug costs for consumers.

This spring, the Senate has the opportunity to advance a package of bipartisan bills that will strengthen our patent and regulatory systems, spur competition, address practices of PBMs to ensure they are serving patients and consumers first, and lower drug prices for millions. We urge the Senate to ensure inclusion of bills to:

- **Increase Competition:** Brand-name pharmaceutical companies engage in tactics aimed at preventing competition that harm consumers and their health; these behaviors include paying generic manufacturers to delay entering the market or making trivial, non-innovative changes to medicines in an effort to avoid competition from a prospective generic. There are bipartisan bills in the Senate that strengthen the patent system by

banning anti-competitive tactics such as “pay-for-delay” deals and product hopping tactics. These bills have passed House and Senate Judiciary Committees on strong bipartisan votes in the past two Congresses. Bipartisan legislation under consideration by the Senate Health, Education, Labor and Pensions (HELP) Committee can further spur competition by preventing big drug companies from manipulating FDA processes in order to thwart competitors. Beyond broad Senate support, these reforms enjoy the support of the American people. More than [80%](#) of voters across party lines want federal agencies such as the USPTO and the FDA to encourage greater competition in the prescription drug marketplace.

- **Promote Transparency:** By design, the U.S. drug price system is complex and convoluted, making it difficult for policymakers, patients, and health care providers to find straightforward information about drug costs. The Senate must advance bipartisan legislation that requires drug companies to disclose and justify high prices.
- **Hold Pharmacy Benefit Managers Accountable:** Consolidation within the pharmacy benefit manager sector has given PBMs a great deal of negotiating power. However, the complicated nature of the drug supply chain can make it difficult for patients, employers, and policymakers to determine when PBM business practices are in the best interests of patients. Bipartisan legislation could require more transparency and accountability to better ensure PBMs act in the best interests of patients and consumers.

Together these reforms take vital steps to promote competition, transparency, and accountability that will lower drug prices for patients, payers, and taxpayers, including the constituencies we represent. On behalf of these constituencies, we urge the Senate to act immediately to advance a package with these reforms.

Signed:

AARP
ACA Consumer Advocacy
American Medical Student Association (AMSA)
Americans for Democratic Action, Southern California
Arkansas Community Organizations
Beta Cell Action
Campaign for a Family Friendly Economy (CFFE)
Center for Health & Democracy
Center for Medicare Advocacy
Church World Service
Committee to Protect Health Care

Community Catalyst
Consumer Action
Families USA
Florida Alliance for Healthcare Value
Generation Patient
Health Care Voices
Initiative for Medicines, Access & Knowledge (I-MAK)
Interfaith Center on Corporate Responsibility
Lower Drug Prices Now (LDPN)
Medicare Rights Center
MomsRising
National Committee to Preserve Social Security and Medicare
National Multiple Sclerosis Society
Oregonizers
Patients For Affordable Drugs Now
Prescription Justice
Protect Our Care
Public Citizen
Rise Up WV
Salud y Farmácos
Social Security Works
SPACeS in Action
T1International
Tennessee Health Care Campaign
U.S. PIRG
Unity Fellowship of Christ Church-NYC
Universities Allied for Essential Medicines (UAEM)
VOCAL-NY
West Virginians for Affordable Health Care
WV Citizen Action Group