

July 20, 2009

Dear Senator,

Congressional consideration of healthcare reform has two overriding goals: expand health coverage to the uninsured, and contain costs. It is widely understood that the first goal cannot be achieved absent success with the second objective.

It is therefore vital that Congress take steps to lower the price of the most expensive drug treatments, rather than aid Big Pharma and the biotech industry's ability to price gouge consumers and the government. For this reason, we urge you to support the *Promoting Innovation and Life Savings Medicines Act*, H.R. 1427 and reject attempts to pass other biologics legislation that will leave affordable care out of reach.

Over the past twenty-five years safe and affordable generic drugs have been an important option for patients. However, there is an entire category of medicines - biologics - that have no generic alternatives because the FDA does not have the authority to approve them. Biologics are among the most expensive and most important drugs available to patients today. They account for 25% of all new drug products approved by FDA and cost on average 22 times more than chemical drugs. Big Pharma and the biotech companies charge so much more for biologics not because they are more expensive to manufacture, or because research & development (R&D) costs are higher, but simply because they can. Presently, there is no competition in this critical marketplace.

The Senate HELP Committee and Congresswoman Eshoo have put forward legislation that would grant unprecedented data exclusivity periods to brand manufacturers, which will ensure there is long delayed or perhaps even no generic competition. Both proposals, though very different in many ways, would guarantee brand monopolies for at least 12 years and give brands the ability to extend this monopoly even further. The Federal Trade Commission (FTC) has closely examined this issue and released a study stating that any amount of exclusivity is not necessary to protect this industry. The Administration also opposes lengthy exclusivity periods.

Our nation is experiencing massive healthcare costs during an economic crisis. Increasing the availability of generic biologics will be a critical element of a comprehensive and necessary health care cost containment strategy, and will provide Americans affordable choices in their healthcare. If the wrong legislation passes on this critical issue there will be no generic biologics and patients and a teetering healthcare system will continue to pay the price.

While it is disappointing, it is not surprising that one of the most powerful lobbies

in Washington has spent considerable resources to ensure that they retain the ability to charge the highest prices that the market will bear. Consumers and the healthcare system cannot bear these prices any longer. We urge you to oppose generic biologics legislation that contains excessive periods of exclusivity or other unnecessary and significant barriers to generic biologic competition. Don't let big industry interests trump sound public policy.

Yours truly,

American Medical Student Association (AMSA)

Breast Cancer Action

Community Catalyst

Essential Action

Knowledge Ecology International (KEI)

National Legislative Association on Prescription Drug Prices (NLARx)

National Women's Health Network

Universities Allied for Essential Medicines (UAEM)

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