February 6, 2018

The Honorable Mitch McConnell  The Honorable Paul Ryan
Majority Leader  Speaker
United States Senate  U.S. House of Representatives
Washington, DC 20510  Washington, DC 20510

The Honorable Charles Schumer  The Honorable Nancy Pelosi
Democratic Leader  Democratic Leader
United States Senate  U.S. House of Representatives
Washington, DC 20510  Washington, DC 20510

Dear Majority Leader McConnell, Leader Schumer, Speaker Ryan, and Leader Pelosi:

The undersigned organizations write to voice our strong support for the Creating and Restoring Equal Access to Equivalent Samples (CREATES) Act (S. 974/H.R. 2212) and encourage Congress to pass this important, bipartisan legislation as soon as possible.

President Trump remarked in his State of the Union address that the “injustice of high drug prices [is] one of our top priorities.” It is also a top priority for voters across the country, and Congress has a golden opportunity to make a real impact on prescription drug prices by passing the CREATES Act.

Each of our organizations is committed to ensuring that Americans have access to the life-enhancing and life-saving medications that they need at an affordable price. It is undisputed that the key driver of affordability in prescription drugs is competition from generics once the market exclusivity has expired on a brand-name medication. Unfortunately, manufacturers of brand-name drugs often go to great lengths to stave off competition from generics in order to keep prices high.

In particular, certain companies abuse the Food and Drug Administration’s (FDA) regulatory rules that allows them to use a tool designed to protect patient safety as a pretext to deny generic manufacturers the ability to purchase the samples they need to bring more affordable FDA-approved drugs to market. These actions contradict Congressional intent. Through this anti-competitive abuse, brand companies extend their monopoly pricing power, costing patients and the healthcare system an additional $5.4 billion annually.

The CREATES Act is a narrowly targeted, bipartisan, pro-competition, and market-based solution to these abuses that cost patients, job-creators, and taxpayers billions of dollars each year. The CREATES Act is a step towards restoring the balance that Congress attempted to strike in Hatch-Waxman, between providing incentive for innovation through exclusivity while providing for affordability through generic competition.
We thank the bipartisan, bicameral sponsors of this important legislation for the work that they have done to, in the words of FDA Commissioner Scott Gottlieb, “end the shenanigans” by certain brand companies, and we strongly encourage Congress to pass the CREATES Act without delay.

Sincerely,

AARP
Academy of Managed Care Pharmacy
Alliance of Community Health Plans
America’s Health Insurance Plans
American College of Physicians
American Consumer Institute
American Hospital Association
American Society of Health-System Pharmacists
Anthem
Ascension
Association for Accessible Medicines
Autistic Self Advocacy Network
Blue Cross Blue Shield Association
Blue Cross Blue Shield of Arizona
Blue Cross Blue Shield of Michigan
Blue Shield of California
Campaign for Sustainable Rx Pricing
Coalition to Reduce Federal Spending
Colorado Consumer Health Initiative
CVS Health
Consumers Union
Doctors for America
Express Scripts
Families USA
Federation of American Hospitals
FreedomWorks
Greater New York Hospital Association
Healthcare Supply Chain Association
I-MAK (Initiative for Medicines, Access & Knowledge)
Kaiser Permanente
Knowledge Ecology International
National Coalition on Health Care
National Committee to Preserve Social Security and Medicare
Patients For Affordable Drugs
Pharmaceutical Care Management Association
People’s Action Institute
People of Faith for Access to Medicines
Premier Healthcare Alliance
Prime Therapeutics
Public Citizen
Social Security Works
Union for Affordable Cancer Treatment
Universal Health Care Foundation of Connecticut
Vizient