

July 3, 2019

The Honorable Frank Pallone
Chairman
House Committee on Energy and Commerce
2125 Rayburn House Office Building
Washington, DC 20515

The Honorable Greg Walden
Ranking Member
House Committee on Energy and Commerce
2322 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Pallone and Ranking Member Walden:

The undersigned patient organizations write in support of a policy proposal to incentivize uptake of biosimilars through a zero-dollar copayment for beneficiaries enrolled in Medicare Part B. We believe that biosimilars hold great promise to lower drug costs and increase patient access to medications, however a lack of uptake threatens the realization of this promise.

Many Medicare beneficiaries struggle with high out-of-pocket costs, and for those with chronic diseases this is a problem that confronts them year-after-year. In 2016 the average annual out-of-pocket costs for Part B covered rheumatoid arthritis drugs was \$1,380, and these costs continue to rise. Patients should have access to the right drug at the lowest possible cost. Biosimilars cost on average 30% less than the reference product and some analyses show they could save the U.S. as much as \$54 billion over the next decade.¹ A zero-dollar copay structure for these medicines under Medicare Part B is a key element of the larger policy discussions around high drug costs.

Despite this potential for savings to both patients and the health care system overall, usage rates remain low. While there are myriad factors contributing to this, we believe moving patient cost-sharing to zero can help spur adoption. We believe strongly that the value of biosimilars to patients lies in lower costs and easier access. Therefore, proposals that would result in no cost-sharing to the patient could help deliver that value and, importantly, save money to the health care system overall. In fact, an Avalere analysis estimates implementing this proposal would result in \$1.9 billion to \$5.2 billion in savings to Medicare over 10 years. Further, the policy would be voluntary to the beneficiary, providing incentives to patients who choose biosimilars, rather than mandating the use of biosimilars.

During this time of increased attention on drug prices and the high cost of medications, we believe there is a window of opportunity to positively impact the discussion through the above proposal. Attached please find more information on the proposal and the Avalere cost estimate. Thank you for your consideration and we look forward to working with you to make out-of-pocket costs more affordable for patients.

Sincerely,

American Autoimmune Related Diseases Association
American Cancer Society Cancer Action Network
Arthritis Foundation

¹ RAND Corporation. [Biosimilar Cost Savings in the United States](#). 2017

Foundation for Peripheral Neuropathy
GO2 Foundation for Lung Cancer
Leukemia & Lymphoma Society
Lupus Foundation of America
National Association of Nutrition and Aging Services Programs (NANASP)
National Organization for Rare Disorders
National Patient Advocate Foundation
Neuropathy Action Foundation
Retire Safe
Scleroderma Foundation