SafeBiologics
ALLIANCE for SAFE BIOLOGIC MEDICINES

December 4, 2019

Speaker Nancy Pelosi
House Minority Leader Kevin McCarthy
United States House of Representatives

Dear Speaker Pelosi and Leader McCarthy,

For the past decade, the Alliance for Safe Biologic Medicines (ASBM) has worked with the FDA, state governments, the World Health Organization (WHO) and regulators and policymakers in Australia, Canada, Europe and Latin America to improve patient access to biosimilars without compromising safety.

We write to you in reference to legislation before you, H.R. 3 "The Lower Drug Costs Now Act of 2019". Specifically, we have concerns with the amendment offered by Congressman Schrader, which would increase reimbursement for biosimilar drugs in Medicare Part B to the average sales price (ASP) plus 8%, up from the current 6% plus ASP, for a period of 5 years.

ASBM has serious concerns with this amendment's potential negative impacts on patient care, which creates financial incentives for physicians to prescribe biosimilar medicines. If implemented, this plan will provide the doctor a 33% bonus for using a biosimilar instead of an originator product. This provision will introduce financial incentives into the treatment decision-making process where patient interests should prevail.

Treatment decisions can and should take into consideration a number of factors, including economic factors such as the affordability of the drug for the patient, but these should not include additional or exceptional or extended profit for the physician. Every patient should be confident that their physician will prescribe the product that is in their best interest, not the one that is the most profitable to the physician personally. This proposed scheme fundamentally undermines the patient-physician relationship of trust.

Promoting biosimilar use, increasing patient access to biologic therapies, and lowering health costs to patients are goals that we all are trying to achieve. Physician confidence in biosimilars has increased dramatically over the last few years and we must continue to build on that confidence. Unfortunately, incentivizing physicians monetarily to prescribe biosimilars, or any drug, will only serve to decrease patient's confidence in their physicians.

In addition, we have recently seen that as multiple biosimilars for a reference biologic are becoming available, originator prices have begun to drop in response in order to compete. For this trend to continue, we must preserve this competition between multiple products, rather than undermining it by advantaging any particular product.

As currently written, the reimbursement rate amendment attempts to interfere with and distort the physician decision making process and the physician-patient relationship. It has the potential to disrupt the treatment of stable patients. Finally, it undermines price competition by using reimbursement rates as a mechanism to advantage some products over others. For these reasons, ASBM respectfully urges the House to remove this amendment from the final bill.

Thank you for the opportunity to comment on this important legislation.

Sincerely,

Michael Reilly,
Executive Director
Alliance for Safe Biologic Medicines

Madelaine Feldman, MD, FACR
Chair, Alliance for Safe Biologic Medicines

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