July 26, 2018

The Honorable John Sarbanes
U.S. House of Representatives
Washington, DC 20515

The Honorable Bill Johnson
U.S. House of Representatives
Washington, DC 20515

Dear Congressman Sarbanes and Congressman Johnson:

We are writing to express our support for the *Biosimilars Competition Act of 2018* (H.R. 6478). The undersigned stakeholders share your commitment to promoting a biosimilars market that will help reduce prescription drug costs for patients, payers, and taxpayers. We commend you for introducing this important legislation and look forward to working with you to enact it into law.

Spending on biologic drugs in the United States totaled more than $105 billion in 2016, and approximately two-thirds of drug spending in Medicare Part B is on biologic drugs. In 2010, the Congress enacted the Biologics Price Competition and Innovation Act (BPCIA) with the intent of providing an approval pathway for lower-cost biosimilar products while preserving incentives for innovation. With an expected cost of 15% to 40% less than originator products, biosimilars create a significant savings opportunity across the U.S. healthcare system. Enhancing competition between biosimilar and biologic manufacturers is vital to reducing prescription drug costs for American families.

Regulators have long paid attention to settlements between brand and generic drugmakers that end patent dispute litigation to determine whether they are hindering the introduction of generics onto the market, denying patient access to lower-cost treatments. A 2003 law requires those settlements to be submitted to the Federal Trade Commission (FTC) and Department of Justice (DOJ) so antitrust regulators can challenge anticompetitive settlements in federal court. That requirement, however, does not apply to settlements between biologic and biosimilar manufacturers.

Two recent patent litigation settlements on Humira, the best-selling biologic in the United States, will not allow biosimilar versions onto the market in the United States until 2023 – five years later than in the European Union. Under current law, the FTC and DOJ have no insight into those settlements or any other potential settlements on biosimilars. The *Biosimilars Competition Act of 2018* would appropriately give federal antitrust regulators the information needed to determine whether those settlements could delay the entry of lower cost biosimilars and challenge anticompetitive agreements in federal court.

We applaud your commitment to increasing patient access to lower cost, life-saving biosimilars, and we look forward to working with you to enact this important legislation into law.

Sincerely,

AARP
Academy of Managed Care Pharmacy (AMCP)
America's Health Insurance Plans (AHIP)

Anthem
Blue Cross Blue Shield Association (BCBSA)
Campaign for Sustainable Rx Pricing (CSRxP)
Coalition for Affordable Prescription Drugs (CAPD)
Community Catalyst
CVS Health
Express Scripts
Families USA
Magellan Rx
National Association of Chain Drug Stores (NACDS)
Pharmaceutical Care Management Association (PCMA)
Premier healthcare alliance
Prime Therapeutics
Public Citizen
Public Sector HealthCare Roundtable
Teachers' Retirement System of Kentucky