

Congress of the United States
Washington, DC 20515

President Barack Obama
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

October 12, 2016

Dear President Obama:

We write to express our concern regarding the dramatic increase in costs for prescription medications and commend your continued commitment to decreasing the costs of health care without reducing quality for millions of Americans. In fact, the Affordable Care Act has reduced the rate of uninsured Americans to below 9 percent, the lowest rate on record. However, the federal government has yet to seriously address the alarming rise in the price of prescription drugs, which makes up nearly 20 percent of total health care costs in the United States. We urge your administration to use executive action and take concrete steps now to enable more Americans have access to affordable prescription drugs.

In the past five years, patients have seen multiple pharmaceutical corporations participate in the cruel practice of price gouging: preventing Americans from accessing lifesaving drugs in order to maximize their profits. Recently, Gilead Sciences set a price of \$84,000 for Solvaldi, their 12-week Hepatitis C treatment, restricting patient access to the life-changing drug in order to maximize their profits. Additionally, Turing Pharmaceuticals, which purchased Daraprim, a drug used to treat a rare disease and AIDS patients, drastically hiked the price by 5,000 percent from \$13.50 to \$750 per pill. Unfortunately, Turing is not alone. Pharmaceutical corporations are buying rights to older drugs with limited competition in the market and then quickly increasing prices several times over a short period of time. The most recent example of the pharmaceutical industries' price-gouging and anti-competitive behavior is Mylan Pharmaceuticals. **Mylan increased the price of the EpiPen, an auto-injector of epinephrine for patients with severe allergies who are at-risk of anaphylaxis, by over 480 percent in the United States over 5 years. This practice has restricted families' and emergency medical providers' access to this lifesaving product.**

Unfortunately, the tactics used by pharmaceutical companies have an outsized impact on low- and middle-income families and seniors. We have all heard too many stories from our constituents about families who are forced to choose between buying groceries, paying their mortgage or getting medication their child desperately needs.

Since 2011, prices for four of the nation's top 10 drugs rose more than 100 percent and the other six went up more than 50 percent. Pharmaceutical companies are restricting, or even worse, preventing Americans' access to critical drugs for the sake of their own profits. **As Congress pursues multiple legislative strategies aimed at ending the pharmaceutical price gouging**

behavior, we also urge you engage in efforts to address this through executive action. With continued Republican obstruction of necessary legislation, we need your leadership to prevent harm to millions of families hurt by soaring prices for the medicines they need.

We believe your Administration should issue fair and transparent guidelines to ensure the public has access to lifesaving drugs developed using federally funded research. Specifically, you should instruct the Director of the National Institutes of Health to ensure that drugs researched and developed with taxpayer funds are kept accessible to the public by authorizing new competition for unaffordable, monopoly-priced medications—an existing statutory power granted by the Bayh-Dole Act (Pub. L. 96-517). This is an important step in deterring corporations from holding federally funded patented drugs from setting unreasonable prices.

Moreover, we also encourage your administration to explore implementing drug importation rules that are already part of U.S. law. Under authority from the Medicare Prescription Drug Improvement and Modernization Act of 2003, the Secretary of Health and Human Services can certify the importation of prescription drugs from other countries under specific qualifications. This regulatory action would pose no risk to public health and safety and could result in a significant reduction in the cost of prescription drugs to American families.

We believe your administration also has the authority to address issues within the Federal Trade Commission to more effectively combat monopolies held by pharmaceutical companies and the use of patent settlements to block all other generic drug competition for a growing number of branded drugs, also known as “pay-for-delay.” We are deeply concerned that pharmaceutical companies will continue this unethical and unlawful practice until necessary reforms are developed and implemented.

In any given month, about half of all Americans and 90 percent of seniors take a prescription drug. We strongly encourage you to consider these executive actions to stop the rapid increase in drug prices and ensure affordable consumer access to medication.

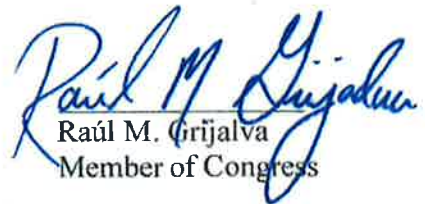
Sincerely,



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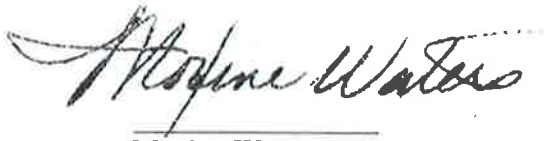

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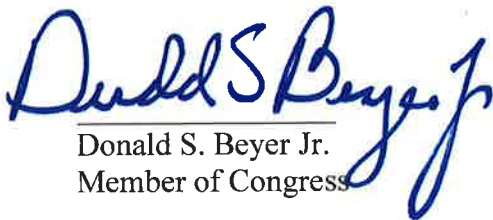

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