The Honorable Mike Johnson Speaker U.S. House of Representatives H-232 Washington, DC 20515

The Honorable Steve Scalise Majority Leader 266 Cannon House Office Building Washington, DC 20515 The Honorable John Thune Majority Leader United States Senate SD-511 Washington, DC 20510

The Honorable John Barrasso Majority Whip 307 Dirksen Senate Office Building Washington, DC 20510

RE: EPIC Act – Align MDPNP Eligibility for Small Molecule Drugs and Biologic Products

Dear Speaker Johnson, Majority Leader Thune, Rep. Scalise and Sen. Barrasso:

On behalf of the 64 undersigned organizations representing healthcare providers and the patients they serve, we urge you to align the Medicare Drug Price Negotiation Program (MDPNP) eligibility timelines for small molecule drugs and biologic products at 11 years post-FDA approval. On April 15, 2025, the President signed an Executive Order on drug prices calling on Congress to fix the "pill penalty." Furthermore, Sen. Tillis (R-NC) and Rep. Murphy (R-NC-03) have introduced legislation in the 119<sup>th</sup> Congress (S.832/H.R.1492) to address this disparity, the Ensuring Pathways to Innovative Cures (EPIC) Act. We strongly support these measures to ensure future access to new small molecule drugs, which will improve patient drug accessibility and affordability.

As health care provider and patient advocacy organizations, we understand the harsh realities at play when patients are unable to afford their prescription medications. We regularly work to try and find options that allow patients to maintain their treatment. Unfortunately, switching to a therapeutically equivalent drug with less patient cost-sharing is not always an available option for patients, who are beholden to the pharmacy benefit and formulary design dictated by their pharmacy benefit manager and health plan. When patients are unable to maintain their treatment plan, they may turn to medication rationing or forfeit their treatment all together. This can have serious consequences for patients with chronic conditions, leading to disease progression, decreased functionality and even hospitalization.

We recognize the mission of the Inflation Reduction Act (IRA) of 2022 to address patient drug affordability. However, we have remained consistently concerned that certain provisions of the law may actually exacerbate drug spending for both Medicare and its beneficiaries while reducing access to small molecule drugs.

The IRA provided that certain drugs were exempt from consideration under the Medicare Drug Price Negotiation Program (MDPNP), including small molecule drugs with less than seven years from their FDA-approval or licensure date and biologic products with less than 11 years. Small molecule drugs are chemically synthesized medications that are typically dispensed at a pharmacy to the patient in convenient forms, such as pills, syrups or capsules, for administration at home and without the assistance of a healthcare provider. Biologic products are complex medications derived from living organisms. Some biologics, such as insulin, can be self-administered by the patient in their own home. Other biologics, such as those for cancer, arthritis, osteoporosis, and multiple sclerosis (MS), are often administered via infusion by a health care provider at an outpatient clinic or provider's office. Both drug types serve an essential role in the

treatment of patients, and we encourage further research and development in both types of drugs to ensure future cures for conditions afflicting Americans across the country.

Unfortunately, the disparity in the eligibility timeline between small molecule drugs and biologic products within the IRA is already impacting investment in research and development. We remain concerned that pharmaceutical manufacturers and biotech investors may be less likely to invest in research and development for small molecule drugs if they know they have less time before MDPNP consideration. This could create a vacuum in research and development to treat more common chronic conditions, like hypertension, gastrointestinal disorders and chronic inflammation, which are often treated with small molecule drugs.

As healthcare provider and patient advocacy organizations, this is particularly troubling, as small molecule drugs are essential tools in helping patients with chronic conditions maintain independence and avoid more intensive in-office or facility-based care when it is not medically necessary. Reduced investment in small molecule drugs is also counterproductive to efforts aimed at supporting patients in self-managing their care and staying adherent to medication regimens—core goals of chronic disease management.

We recognize the essential value that both small molecule drugs and biologic products offer in treating patients, which is why we urge Congress to adopt policies that create parity for these drugs under the MDPNP. Policies that support research and development for both small molecule drugs and biologic products will help ensure a healthier tomorrow for Americans. We support the directives within the Executive Order to eliminate the "pill penalty" and encourage Congress to address this disparity by including the EPIC Act in reconciliation.

On behalf of the 64 undersigned healthcare provider and patient advocacy organizations, we appreciate your consideration, and we look forward to supporting efforts to advance this important policy priority. Please contact the Coalition of State Rheumatology Organizations (<u>jfrasco@hhs.com</u>) if we can help provide any additional information.

## Sincerely,

Advocates for Compassionate Therapy Now **AiArthritis** Alabama Society for the Rheumatic Diseases Alliance for Patient Access Alliance for Safe Biologic Medicines American Behcet's Disease Association American Society of Plastic Surgeons Arizona United Rheumatology Alliance Arkansas Rheumatology Association Association of Women in Rheumatology Autoimmune Association Biomarker Collaborative California Rheumatology Alliance Caring Ambassadors Program CF United Chronic Care Policy Alliance Coalition of State Rheumatology Organizations Coalition of Wisconsin Aging & Health Groups Color of Gastrointestinal Illnesses Community Liver Alliance

Dermatology Nurses' Association

Exon 20 Group

Florida Society of Rheumatology

Georgia Society of Rheumatology

Global Allergy & Airways Patient Platform

Hawaii Rheumatology Society

HIV+Hepatitis Policy Institute

Huntington's Disease Society of America

ICAN, International Cancer Advocacy Network

Infusion Access Foundation

International Bipolar Foundation

Kentuckiana Rheumatology Alliance

Let My Doctors Decide

Liver Coalition of California

Lupus and Allied Diseases Association, Inc.

Maryland Society for the Rheumatic Diseases

Massachusetts, Maine and New Hampshire Rheumatology Association

**MET Crusaders** 

Michigan Rheumatism Society

MidWest Rheumatology Association

Mississippi Arthritis and Rheumatism Society

Nebraska Rheumatology Society

New York State Rheumatology Society

North Carolina Rheumatology Association

Patient Advocates United in San Diego County

PDL1 Amplifieds

Pennsylvania Rheumatology Society

Pharmacists United for Truth and Transparency

Rare Access Action Project

Rheumatology Alliance of Louisiana

Rheumatology Association of Iowa

Rheumatology Association of Minnesota and the Dakotas

Rheumatology Association of Nevada

Rheumatology Society of New Mexico

South Carolina Rheumatism Society

Southern California Rheumatology Society

Spondylitis Association of America

State of Oklahoma Association of Rheumatology

State of Texas Association of Rheumatologists

Tennessee Rheumatology Society

The AIP BIPOC Network

The Bonnell Foundation: Living with cystic fibrosis

Virginia Society of Rheumatology

West Virginia State Rheumatology Society

CC: The Honorable Thom Tillis

The Honorable Greg Murphy, MD