

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

NEIL L. BRADLEY
EXECUTIVE VICE PRESIDENT &
CHIEF POLICY OFFICER

1615 H STREET, NW
WASHINGTON, DC 20062
(202) 463-5310

February 14, 2020

The Honorable Mike Crapo
United States Senate
Washington, DC 20510

Dear Senator Crapo:

The U.S. Chamber of Commerce strongly supports S. 3129, the “Lower Costs, More Cures Act of 2019,” which you recently introduced, which would curb the high costs of prescription drugs. This bill builds on the tremendous successes of the Medicare Part D program, improves transparency of site of services in Medicare Part B, and takes a thoughtful approach to lower drug costs without imposing government price controls that would harm the development of new cures.

Importantly, S. 3129 would help reduce drug prices without resorting to destructive price controls, such as the inflation cap penalties found in S. 2543, the “Prescription Drug Pricing Reduction Act,” or the government negotiation provisions found in H.R. 3, the “Lower Drug Costs Now Act,” which would dramatically limit access to critical cures, inhibit innovation, and lead to worse health outcomes.

S. 3129 is innovative. It would lower beneficiaries’ out-of-pocket costs by removing the current coverage gap and providing seniors with flexibility in certain instances to pay in monthly installments when they incur between 30-100% of their annual out-of-pocket costs in a 30-day period. This flexibility in benefit design is one proposal the Chamber has considered in other contexts and, as such, we support its inclusion in the Medicare Part D program. The bill’s update to Medicare’s online Procedure Price Lookup transparency tool would allow beneficiaries in Part B to make informed decisions about where they elect to receive treatment.

In addition, the Chamber strongly supports the safe harbor for high-deductible health plans that cover insulin on a pre-deductible basis. Insulin, like other high-impact medical items and services, allows individuals to avoid the exacerbation of an underlying chronic condition that would otherwise require significant medical care and illness. This flexibility in benefit design is important. The Chamber has long supported the ability of individuals to use funds from tax-preferred accounts to pay for over-the-counter items and appreciates the inclusion of this provision as well.

The Chamber does have concerns around proposals to mandate direct-to-consumer pricing. We look forward to working with you on this provision to ensure consumers have a better understanding of what their out-of-pocket costs would be.

American consumers rightly deserve action on reducing the costs of drugs and health care, and the Chamber believes this goal should be accomplished without sacrificing health outcomes and access to critical cures. We appreciate your leadership in introducing S. 3129 and look forward to working with you to lower drug costs. The Chamber believes S. 3129 is legislation that could pass both chambers and make it to the President's desk because many of its provisions have strong bipartisan support.

Sincerely,

A handwritten signature in blue ink, appearing to read "Neil L. Bradley". The signature is fluid and cursive, with a large loop at the end.

Neil L. Bradley

cc: Members of the United States Senate