



August 28, 2023

The Honorable Xavier Becerra
The Secretary of Health and Human Services
Washington, DC 20201

Dear Secretary Becerra:

The U.S. Chamber of Commerce is concerned that in the rush to implement the named Medicare Drug Price Negotiation Program, the Department of Health and Human Services is failing to assess the likely negative side effects the program will have on the development of new pharmaceutical treatments and the access seniors will have to the new treatments that are approved for market.

The Chamber supports access to affordable medicine but continues to believe that a government price control scheme is counterproductive and will restrict access to critical medicines, delay treatment for patients, and jeopardize the search for new lifesaving cures.

When Congress was considering the Inflation Reduction Act, the nonpartisan Congressional Budget Office estimated that it would result in more than 130 fewer new drug treatments over the next decade. Further, an analysis of access and wait times to new pharmaceutical treatments across various countries reveals that patients in countries with price control mechanisms generally have access to fewer treatments and experience longer wait times for the treatments that are eventually available.

Prudence and good governance would dictate that in implementing the price control mechanisms of the IRA, your agency would have sought to determine the extent of the negative side effects and taken steps to the maximum extent practicable to reduce the negative impacts.

We seek to know whether in establishing the drug price program and in selecting the 10 initial medicines the Department of Health and Human Services did the following:

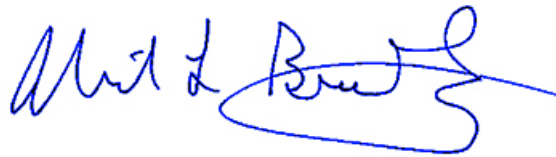
1. Conducted research to know the effects of the policy on new drug development.

2. Attempted to ascertain if the new treatments would likely be concentrated in particular therapeutic specialties such as cancer and Alzheimer's.
3. Assessed the impact on seniors' timely access to new treatments.

If so, what were the results of the agency's analysis and what steps did it take to minimize the negative impacts? If the agency did not undertake such an analysis, why not?

We look forward to hearing from you.

Sincerely,

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

Neil L. Bradley
Executive Vice President, Chief Policy Officer,
and Head of Strategic Advocacy
U.S. Chamber of Commerce