

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

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TO THE MEMBERS OF THE U.S. HOUSE OF REPRESENTATIVES:

The U.S. Chamber of Commerce strongly opposes H.R. 3, the “Lower Drug Costs Now Act of 2019.” This legislation’s government price controls on prescription drugs would threaten to cut critical medical research dollars essential for innovation and the development of new cures, and would endanger the livelihood of an estimated 1 million Americans. **The Chamber will consider including votes on this legislation in our annual *How They Voted* scorecard.**

The proposals included in H.R. 3 would limit access, increase costs for employers and workers, and inhibit innovation. Economic analysis on the legislation support these assertions. The Council of Economic Advisers estimated the legislation could cut the number of new drugs entering the market by as many as 100 and “would reduce Americans’ average life expectancy by about four months.”

Based on the effect that investment in research and development has on increasing population health, H.R. 3 could reduce population health by 37.5 million to 100 million life years over the next decade. The economic value of this loss of new, better drugs, and the resulting worse health outcomes, could reach \$1 trillion per year over the next decade. That would be far larger than H.R. 3’s projected savings.

Rather than advancing proposals that would curb access to lifesaving medicines and eviscerate an estimated 1 million American jobs, policymakers should work to address the problems in our current system by taking the following steps:

- Consider ways to rework and reform the Medicare Part D benefit design;
- Facilitate the approval of generics and biosimilars;
- Help reduce costs for all Americans by moving towards a more value-based system that rewards outcomes and limits costs, and by repealing the Cadillac tax, the health insurance tax, and the medical device tax;
- Help Americans with out-of-pocket costs through expansion of Health Savings Accounts and Health Reimbursement Arrangements;
- Expand coverage options through mechanisms like Association Health Plans;
- Solidify the ACA’s exchanges through the use of risk corridors and funding cost-sharing reduction payments.

The Chamber looks forward to working with Congress on legislation that improves access to and reduces the cost of healthcare, and which preserves the free market and the employer-sponsored insurance system.

Sincerely,



Jack Howard