



November 5, 2021

The Honorable Nancy Pelosi
Speaker, U.S. House of Representatives
U.S. Capitol H-232
Washington, DC 20515

Dear Speaker Pelosi:

The Association of Accessible Medicines (AAM) and its Biosimilars Council share in the goal of lowering prescription drug costs for America's patients and seniors. However, in an effort to target high prices on brand-name drugs, *The Build Back Better Act* (H.R. 5376) threatens to reduce seniors' access to generics and biosimilars, potentially dampening competition for years to come, with its approach to direct negotiations in Medicare and inflation-based rebate penalties. **We therefore urge all members of Congress to oppose the current version of *The Build Back Better Act*.**

With passage of the Hatch-Waxman Amendments in 1984 and the Biologics Price Competition and Innovation Act (BPCIA) in 2010, Congress created a competitive market that has successfully led to decades of savings for America's patients.¹ Direct negotiations in Medicare as designed in *The Build Back Better Act*, however, alters the careful balance struck between innovation and access in these laws. *The Build Back Better Act* severely erodes the incentives for biosimilar and generic development, keeping drug prices high for some seniors, while forgoing additional cost savings for others. We believe the proposed reforms can and must be adjusted to avoid harming the incentives to develop generic and biosimilar medicines for seniors, children and other patients should Congress advance them further.

Combined with the inclusion of generic and biosimilar medicines in the inflation-based rebate penalties, *The Build Back Better Act* increases the risk of drug shortages and creates additional barriers to competition for lower-cost medicines. America's seniors would benefit more from reforms that accelerate patient access to generic and biosimilars, ensure coverage of lower-cost medicines in Part D, support biosimilar and generic adoption and end tactics that only delay competition from more affordable prescription drugs.

Patient access to more affordable generic and biosimilar medicines is the solution to lowering the cost of prescription drugs. *The Build Back Better Act* significantly undermines that access. That doesn't add up. We ask Congress to reject the current version of *The Build Back Better Act* and preserve patient access to affordable medicines.

Sincerely,

Dan Leonard
President and CEO

¹ AAM, "The U.S. Generic & Biosimilar Medicines Savings Report," October 2021 ([link](#)).