



The Honorable Donald J. Trump
President of the United States
1600 Pennsylvania Avenue NW
Washington, DC 20500

January 31, 2018

Dear Mr. President:

On behalf of the Association for Accessible Medicines (AAM), I write to congratulate you on your State of the Union address and specifically your call to lower prescription drug prices. Our industry appreciates your recognition of the role of our medicines in solving this challenge faced by too many Americans. The remarkable leadership Commissioner Scott Gottlieb, M.D. has shown at the Food and Drug Administration (FDA) to prioritize generic approvals and the Drug Competition Action Plan are important first steps in delivering on your promise.

AAM is the trade association for the manufacturers of generic and biosimilar medicines. Our companies employ tens of thousands of American workers and we manufacture more than 62 billion doses of affordable, FDA-approved medicine in this country. Generic drugs now represent 89 percent of all prescriptions filled in the United States but account for only 26 percent of the spending. AAM and our member companies stand ready to work with you and your administration to achieve your goal of bringing down costs. This work can begin immediately, and the impact can be felt almost right away.

Republican leaders in the House and Senate, including Congressman Tom Marino (R-PA), Senators Chuck Grassley (R-IA), Mike Lee (R-UT) and Tom Cotton (R-AR), have authored a bill called the CREATES Act (H.R. 2212/S. 974) that will help lower prescription drug prices. The CREATES Act will save patients and taxpayers \$3.8 billion by reducing the ability of brand drug companies to block and delay generic and biosimilar competition. Some brand drug makers wrongly withhold from generic manufacturers the samples required by our companies to start the FDA's application process.

Dr. Gottlieb has repeatedly chastised drug companies using these anti-competitive ploys. The abuses are well-documented and experts say they are getting worse and more flagrant. Until these shenanigans are stopped, American patients and their families will continue to pay higher prices than they would if generic and biosimilar treatment options were available. This runs contrary to your stated priority to reduce the price of prescription drugs.

Congressional action can curtail these tactics. The CREATES Act would curb the abuses and unleash the market competition necessary to lower drug prices. We are confident this meaningful solution will move forward if backed by your strong, public support. AAM respectfully asks that you endorse the bill.

Congratulations again on the State of the Union address and thank you for your continued call for action to lower prescription drug prices. AAM and our member companies stand ready to work with you to help achieve this laudable and necessary goal – one that will benefit millions of Americans.

Sincerely,

A handwritten signature in black ink that reads 'Chester Davis Jr.' in a cursive script.

Chester "Chip" Davis, Jr.
President and CEO

cc: Secretary Alex Azar, Department of Health and Human Services
Administrator Seema Verma, Centers for Medicare and Medicaid Services
Commissioner Scott Gottlieb, M.D., Food and Drug Administration
Director Mike Mulvaney, Office of Budget and Management

Attached: 2017 Generic Drug Access & Savings in the U.S. Report