

Congress of the United States

Washington, DC 20510

April 9, 2021

The Honorable Xavier Becerra
Secretary of Health and Human Services
200 Independence Avenue Southwest
Washington, D.C. 20201

Dear Secretary Becerra,

The United States faces an indisputable prescription drug pricing and affordability crisis. Pharmaceutical companies' greed has led Americans to ration their medications, forgo necessary medical care, and face the impossible choice between filling prescriptions, paying rent, or buying groceries.

Americans spend far more on prescription drugs—an average of \$1,200 per person per year—than people anywhere else in the world¹, and nearly one quarter of adults have difficulties affording their medications. Almost three-in-ten of all adults have reported not taking their medications as prescribed due to the high cost², a fact which leads to worsened conditions and increased health needs.

This is a gross injustice to the American people, and one made by pharmaceutical companies' shameful manipulation of drug prices and patent abuses that benefit shareholders, not patients. Americans have been ripped off by pharmaceutical companies for too long, and it is time for a President to finally stand up to the drug companies and stand up for Americans. **Our proposal is simple: Drug companies sell to Americans at the same price they sell to other developed nations.**

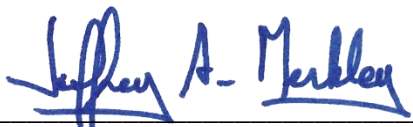
We urge you and your administration to provide Americans relief from prescription drug corporation price gouging with bold action modeled off our legislative efforts on reference pricing. Specifically, we urge you to take action through the Center for Medicare & Medicaid Innovation (CMMI) to establish a reference pricing demonstration to bring United States drug prices in line with other wealthy nations, including Canada, the United Kingdom, France, Germany, Japan, and others. Additional authorities, such as government patent use and march-in rights, empower your administration to license generic competition to remedy excessive pricing. We strongly encourage you to explore rapidly exercising these powers.

We will complement these efforts in the 117th Congress by introducing bicameral legislation that would ensure Americans do not pay more for prescription drugs than people in other developed countries. We are committed to addressing this health crisis, and we would be happy to share details of our reference pricing proposals or connect you with relevant stakeholders so you can effectively and immediately lower drug prices.

¹ OECD (2020), Pharmaceutical spending (indicator). doi: 10.1787/998feb6-en (Accessed on 10 December 2020)

² Lunna Lopes, Bryan Wu, and 2019, "KFF Health Tracking Poll – February 2019: Prescription Drugs," *KFF* (blog), March 1, 2019, <https://www.kff.org/health-costs/poll-finding/kff-health-tracking-poll-february-2019-prescription-drugs/>.

Sincerely,



Jeffrey A. Merkley
United States Senator



Peter Welch
Member of Congress



Bernard Sanders
United States Senator



Ro Khanna
Member of Congress



Cory A. Booker
United States Senator



Steve Cohen
Member of Congress



Barbara Lee
Member of Congress