

July 1, 2021

The Honorable Kurt Schrader
U.S. House of Representatives
2431 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Adam Kinzinger
U.S. House of Representatives
2245 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Schrader and Congressman Kinzinger:

On behalf of the millions of patients, consumers, providers, communities of color, and taxpayers our organizations represent, we write to thank you for your leadership in introducing the BIOSIM Act (H.R. 2815). Biosimilar medicines hold enormous potential to lower the cost of prescription drugs but face significant barriers to adoption. Congressional action on innovative solutions, like the BIOSIM Act, is critical to reducing costs and improving patient access to biosimilars in the U.S.

The Food and Drug Administration (FDA) has approved 29 biosimilar medicines since 2015.ⁱ Patients with cancer, chronic kidney disease, rheumatoid arthritis and other conditions are benefitting from access to biosimilars. According to a recent analysis, women, seniors, and low-income individuals are expected to benefit most from increased access to biosimilars as they are predominantly impacted by the conditions currently treated by higher cost biologics for which biosimilar competition can reduce costs.ⁱⁱ However, despite average cost savings of 30 percent, biosimilar adoption continues to trail expectations.ⁱⁱⁱ

Efforts to increase awareness and educate patients and providers about the availability and benefits of biosimilar medicines are important.^{iv} But misaligned financial incentives within the Medicare program continue to encourage the use of high-cost brand biologics even when a lower-cost biosimilar medicine is available. Recent analysis shows how Medicare reimbursement can influence biosimilar adoption and suggests how payment proposals could be modified to create incentives to spur adoption.^v

We are deeply appreciative of your thoughtful approach to generating targeted savings for Medicare and reducing out-of-pocket costs for seniors. The BIOSIM Act would accelerate patient access to new biosimilar treatments by providing a temporary increase to physician reimbursement. Under Medicare Part B, biosimilars are currently reimbursed at the average sales price (ASP) + 6%. The BIOSIM Act would increase biosimilar reimbursement by two percent to ASP+8%. Importantly, the policy only applies when a biosimilar's price is lower than the price of the brand-name reference biologic. This guarantees savings to Medicare and reduces out-of-pocket costs for seniors. For these reasons, we, the undersigned organizations, are pleased to endorse the BIOSIM Act. We look forward to working with you to advance your bipartisan legislation into law.

Sincerely,

60 Plus Association
Advocacy & Awareness for Immune Disorders Association
Allergy & Asthma Network
Alliance for Aging Research
Alliance for Retired Americans
Alliance to Solve PANS & Immune-Related Encephalopathies (ASPIRE)
American Consumer Institute
Black Women's Health Imperative

CancerCare
Center for Freedom and Prosperity
Consumer Action
Dallas-Fort Worth Business Group on Health
Endocrine Society
HealthyWomen
Hypertrophic Cardiomyopathy Association
International Pemphigus and Pemphigoid Foundation
Lupus Foundation of America
Men's Health Network
National Center & Caucus on Black Aging
National Consumers League
Patients Rising Now
R Street Institute
Rheumatology Nurses Society
Scleroderma Foundation
Sister's Network, Inc.
Sjögren's Foundation
Texas Business Group on Health
The Mended Hearts, Inc.

Cc: Chairman Frank Pallone, Ranking Member Cathy McMorris Rodgers, Chairwoman Anna Eshoo,
Ranking Member Brett Guthrie

ⁱ <https://www.fda.gov/drugs/biosimilars/biosimilar-product-information>

ⁱⁱ <https://biosimilarscouncil.org/wp-content/uploads/2019/11/Biosimilars-Council-Patient-Access-Study.pdf>

ⁱⁱⁱ <https://www.iqvia.com/insights/the-iqvia-institute/reports/biosimilars-in-the-united-states-2020-2024>

^{iv} <https://pubmed.ncbi.nlm.nih.gov/33146388/>

^v <https://www.iqvia.com/locations/united-states/library/white-papers/biosimilars-in-the-us-reimbursement-and-impacts-to-uptake>