

Congress of the United States
Washington, DC 20515

August 25, 2021

The Honorable Xavier Becerra
Secretary
U.S. Department of Health and Human Services
200 Independence Ave SW
Washington, D.C. 20201

The Honorable Chiquita Brooks-LaSure
Administrator
Centers for Medicare and Medicaid Services
U.S. Department of Health and Human Services
7500 Security Boulevard
Baltimore, MD 21244

Dear Secretary Becerra and Administrator Brooks-LaSure:

Americans across the country, including the millions of seniors relying on the Medicare program, continue to face rising out-of-pocket costs for prescription drugs. We share President Biden's commitment to lowering drug costs for patients and were pleased to see the inclusion of several directives related to drug pricing in the July 9th Executive Order on Promoting Competition in the American Economy. We strongly support the efforts to expand competition, increase access to biosimilars, and remove barriers that limit patients' access to affordable medicines. The Department of Health and Human Services (HHS) and Centers for Medicare and Medicaid Services (CMS) are uniquely positioned to develop and implement meaningful policies that will realize these goals and we urge you to enact the following policies as you take steps to fulfill the directives outlined in President Biden's Executive Order on Promoting Competition in the American Economy.

Building on the proposal recently finalized in the Contract Year 2022 Medicare Advantage and Part D Final Rule (CMS-4190-F2), to establish a second specialty tier for Medicare Part D plans, we strongly encourage you to take further steps to strengthen this policy and reduce patients' out-of-pocket costs at the pharmacy by implementing the following changes:

- Limit product placement to the newly established, lower cost-sharing, preferred specialty tier to only generics and biosimilars.
- Set a co-insurance percentage for the newly established preferred specialty tier that is meaningfully lower than the co-insurance for the non-preferred specialty tier. This will ensure seniors receive the full cost-savings attributed to these lower-cost products.

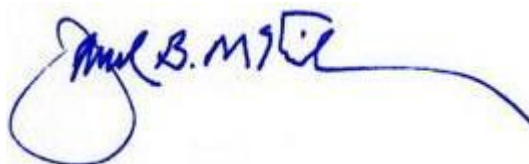
Implementing these commonsense policy solutions align with the President's goal of improving Medicare beneficiary access to affordable medicines and will significantly enhance market competition. It is critical that CMS increases Medicare savings and addresses the abusive gaming tactics that are keeping lower-cost generic and biosimilar medicines out of patients' hands. Most importantly, these solutions will ensure that millions of Medicare beneficiaries are able to fully realize the benefits from lower-cost generic and biosimilar medicines.

Thank you in advance for your consideration and we look forward to working with you to expand patients' access to affordable medicines.

Sincerely,



Ann McLane Kuster
Member of Congress



David McKinley, P.E.
Member of Congress