

July 25, 2019

Senator Chuck Grassley
Chairman, Senate Finance Committee
219 Dirksen Senate Office Building
Washington, DC 20510

Senator Ron Wyden
Ranking Member, Senate Finance Committee
219 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Grassley and Ranking Member Wyden:

The undersigned organizations write in strong support of an amendment to facilitate value-based payment arrangements (VBAs) in commercial markets as part of the Finance Committee's forthcoming legislation related to prescription drug pricing.

As you know, our nation's healthcare system is undergoing a monumental shift to reward value and deliver affordable, quality care to consumers. We are witnessing a new era in medicine with the recent approval of several transformative therapies like gene therapies, along with dozens more in development. Some of these products can even be administered in a single treatment, potentially providing years of benefit. VBAs that link payment for medicine with patient-centered outcomes are one tool to help lower costs and promote value over volume. Public and private payers should be provided with multiple options for coverage of these transformative therapies.

In addition to tying reimbursement to patient outcomes, VBAs necessitate coordination between providers, patients, payers and manufacturers to ensure the efficacy of the prescription drug. They also can lower patient cost sharing at the pharmacy counter. Lowering out-of-pocket costs and improving care are two essential goals for any drug pricing legislation and we urge to you to support VBAs in your efforts.

Unfortunately, some laws hinder these private sector innovations from flourishing, including the Stark and Anti-Kickback laws, which prevent coordination, and the Medicaid Best Price statute, which prevents deeper discounts if outcomes are not achieved. These barriers shortchange taxpayers and, most importantly, patients. As bipartisan leaders in health care policy, you are uniquely positioned to support changes to the flawed status quo through commonsense solutions that remove barriers to VBAs and promote care coordination.

We support the VBA amendment and look forward to working with you to ensure it is signed into law.

Respectfully,

A Cure for Ellie- Raising Awareness for LBSL
Alliance for Regenerative Medicine
American Association of Neurological Surgeons
Bridge the Gap- SYNGAP Education and Research Foundation
Communicating for America, Inc.
Congress of Neurological Surgeons

Council for Affordable Health Coverage
Cure Sanfilippo Foundation
Debra of America
ICAN, International Cancer Advocacy Network
International Pemphigus and Pemphigoid Foundation
Jonah's Just Begun- Foundation to Cure Sanfilippo, Inc.
National Consumers League
Noah's Hope
The AIDS Institute
The Bow Foundation- Supporting GNAO1 Families, Research and Awareness
The Ryan Foundation
TK2cures