



December 9, 2021

Dear Representative:

On behalf of the coalition of American companies, workers, trade associations, opinion leaders, and policymakers who compose the Trade Alliance to Promote Prosperity, I am writing to express our opposition to the Build Back Better Act's drug pricing provisions.

As currently included in the BBBA, the drug-pricing provisions constitute a dangerous and astoundingly selfish and shortsighted piece of legislation.

The legislation would cap prescription drug prices by importing the prices paid in a collection of foreign countries. The governments in those nations set artificially low reimbursements for medicines—in other words, they employ a heavy-handed, socialist system of drug pricing. If the drug-pricing components of the BBBA were to pass, they would have a chilling effect on the pharmaceutical industry where we would certainly see a drastic reduction in investment in biomedical research and development.

We need scientists to continue researching and developing breakthrough medicines. Sacrificing future innovation to achieve some short-term financial savings would ultimately hurt patients. Indeed, the concept of “paying it forward” could hardly be more compelling than in the case of discovering life-saving therapies and treatments for our most pressing healthcare challenges. The selfishness implicit in BBBA—and in the importation of the socialist approach to healthcare in general—is astounding, especially as it would harm the most vulnerable among us.

[According to data highlighted by the California Life Sciences Association](#), the incorporation of foreign price controls into the Medicare Part D program alone would cause a 58% reduction in pharmaceutical industry revenue, “significantly reducing the investment capital available for partnerships and licensing agreements with emerging companies, and therefore lead to an 88% reduction in new medicines developed by small U.S. biotech companies.”

Thus, the BBBA would dramatically curtail the development of new therapies to treat some of the world's most pressing health challenges: cancer, rare diseases, lupus, Alzheimer's disease, and many others.

We have been discussing for years the negative impact of importing socialist drug price-fixing schemes. No matter how they are packaged or named or “gussied up,” they would have the same results: Less access to medicines, fewer cures being developed, and worse health outcomes.

We have provided numerous talking points, statistics, infographics, and a cartoon to help articulate our position, which you can find here: <https://www.promote-trade.org/issue-guides/pelosis-drug-pricing-plan>.

Since the onset of the COVID-19 pandemic, we have seen firsthand the impressive ability of American scientists to engage in activities that produced vaccines at record speeds. The BBBA would create a huge barrier to innovation and would leave many patients high and dry and just waiting to die.

That's why the Trade Alliance to Promote Prosperity strongly urges you to reject the drug-pricing provisions of the BBBA.

Thank you,

Kent Kaiser, Ph.D.
Executive Director