May 21, 2021

Dear Representative,

We are writing on behalf of the Alliance for Aging Research to express our utmost appreciation for your recent letter to House Democratic Leadership stating that Congress should make patient affordability its number one goal when pursuing healthcare legislation. As you are well aware, older adults can face substantial out-of-pocket health care costs in insurance premiums, deductibles, and coinsurance. The sum of these health care costs can be insurmountable for those with multiple chronic conditions or complex diseases.

Improving older adult patient access to breakthrough treatments, as well as ensuring their affordability, is essential. This will not be realized if Congress advances any international reference pricing proposals (including "International Pricing Index" or "Most Favored Nation") in drug pricing reform legislation. All international reference pricing proposals share a common flaw: they import to the United States the use of discriminatory cost-effectiveness standards that other governments use to ration health care for their citizens. Many of the referenced countries, such as the United Kingdom, Canada, and Australia, make drug reimbursement and coverage decisions based on cost-effectiveness assessments tied to the quality-adjusted life year (QALY). Such reference pricing would undermine critical elements of the Affordable Care Act, the Rehabilitation Act, the Americans with Disabilities Act, and the 2020 DNC Platform while exacerbating health disparities in direct contradiction of the Biden Administration’s core promise to advance health equity. Policies relying on QALY-driven international pricing metrics should be prohibited by Congress, not embraced.

The Alliance established Project LOOP (Lowering Out-Of-Pocket), an ad hoc coalition of patient advocacy groups to encourage Congress to address the urgent needs of affordability reforms in Medicare Part D. Specifically, Project LOOP advocates for two key changes to Part D – an annual cap on beneficiary OOP expenditures and a cost smoothing mechanism to allow beneficiaries to pay prescription drug costs in installments over the course of a plan year. This is one of several efforts the Alliance for Aging Research is advocating for to achieve meaningful drug pricing reform, and more information and resources can be found here.

We share your aspiration to balance innovation and affordability, to once and for all tackle cancer and Alzheimer’s disease, and to advance the cause of equity in our healthcare system. Your courage inspires, and please know that many share your conviction. Please consider us a resource as you work to pursue collaboration and bipartisanship in your effort.

Sincerely,

Sue Peschin, MHS  
President and CEO

Michael Ward, MS  
Vice President of Public Policy