## PATIENTS FOR AFFORDABLE DRUGS NOW™

March 22, 2023

The Honorable Cathy McMorris Rodgers Chairwoman, House Energy and Commerce Committee 2188 Rayburn House Office Building Washington, DC 20515

The Honorable Frank Pallone Ranking Member, House Energy and Commerce Committee 2107 Rayburn House Office Building Washington, DC 20515

Dear Chairwoman McMorris Rodgers, Ranking Member Pallone, and members of the Committee,

As the House Committee on Energy and Commerce considers <u>H.R. 485</u>, Patients For Affordable Drugs Now (P4ADNow) urges members to ensure the proposed legislation accomplishes two essential goals:

- 1. Protect people with disabilities, the elderly, and those with chronic or terminal illness from analytical tools that are discriminatory. Due to concerns about the use of one measure in particular the Quality Adjusted Life Year (QALY) we believe its use should be prohibited in federal programs.
- 2. Preserve the ability of our nation to employ Comparative Effectiveness Research (CER) in government and commercial health plans to help determine the value of drugs to patients using measures that value all lives equally, such as the Equal Value of Life Years Gained (evLYG).

Patients For Affordable Drugs Now is the only national patient organization focused exclusively on policies to lower drug prices while ensuring continued innovation. P4ADNow is independent, bipartisan, and does not accept funding from any organizations that profit from the development or distribution of prescription drugs.

At the end of the day, there is no single factor more important in arriving at an appropriate price for a new drug than the value of the drug to patients. It is axiomatic that to stimulate and reward innovative new drug development, we should pay more for high value drugs and less for low value drugs. Put a different way, we want drugs with high clinical effectiveness against the disease or condition they target and with a low burden of undesirable side effects or toxicities. Patients in this country need a reliable system that clearly and transparently assesses the value of drugs in order to both inform patient decision making, and to arrive at appropriate prices.

One concern about comparative effectiveness research/value analysis is that it sometimes relies on the QALY as a measure. There is legitimate concern in the disability community that "the QALY metric puts

a lower value on the life of an individual living with a disability, and, as such, value assessments using this metric devalue treatments for people with disabilities."

At P4ADNow, we don't advocate the use of QALYs. Instead, we endorse measures that are designed to explicitly value all lives equally, such as the evLYG. We also support clear protections in legislation such as those included in the recently passed Medicare negotiation provisions in the Inflation Reduction Act that state: "...the Secretary shall not use evidence from comparative clinical effectiveness research in a manner that treats extending the life of an elderly, disabled, or terminally ill individual as of lower value than extending the life of an individual who is younger, nondisabled or not terminally ill."

To limit the analysis of value in new drugs in arriving at a fair price would be to exclude the single most important factor — **how good is the drug for patients?** We must protect comparative effectiveness research and value analysis from an industry that wants to prohibit its use in order to maintain and strengthen its unilateral pricing power over patients and all Americans.

We urge the House Committee on Energy and Commerce and all members to pass H.R. 485 *only if* it accomplishes the two key goals set forth above. If it will not achieve these goals, it should be opposed in order to preserve policymakers' ability to utilize value analysis to ensure patients can obtain the best prescription drugs at the most appropriate and affordable prices.

Sincerely,

David Mitchell

President and Founder

Patients For Affordable Drugs Now