June 12, 2025

Dear Senator:

We are writing to express our strong opposition to the inclusion of the ORPHAN Cures Act in the reconciliation bill currently under Senate consideration. This provision would weaken Medicare's ability to negotiate lower drug prices for the American people – one of the most promising costsaving reforms in recent history – and would also let big drug companies continue charging American patients and taxpayers some of the highest drug prices in the world.

Keeping this provision in the bill would go directly against what the American people want and what President Trump himself has called for: lower prescription drug prices. At a time when nine in ten Americans want further action from Congress on affordable medications and an <u>overwhelming majority</u> support giving Medicare the power to negotiate lower drug prices for *all* drugs, including this policy would be a step backward. The ORPHAN Cures Act creates new and unnecessary loopholes that will exempt more drugs used to treat rare diseases from Medicare drug price negotiation – greatly reducing savings and sticking taxpayers with the bill.

Americans already pay far more than people in other wealthy countries for the exact same medications. This carveout would make it worse by shielding even more drugs from negotiation. Drug companies already benefit from strong incentives to develop rare disease treatments. Plus, there is no objective evidence that this carveout is needed. At a time when one in three Americans are having difficulty affording their medications, Congress should be focused on policies to lower drug prices, not keep them higher for longer while increasing drug company profits.

The Congressional Budget Office (CBO) <u>found</u> that the ORPHAN Cures Act would raise federal spending by \$4.87 billion over the next 10 years. That's billions of dollars going straight into the pockets of big drug companies—even though most Americans know they are to blame for <u>high drug prices</u>.

This approach is deeply unfair to American taxpayers, especially when U.S. tax dollars have helped fund nearly every Food and Drug Administration (FDA)-approved drug over the last decade. The federal government contributed to the development of <u>99 percent of all medications</u> that received approval from the FDA between 2010 and 2019. The ORPHAN Cures Act would raise prescription drug prices, and it has no place in the reconciliation bill or any other legislative package. We urge Congress to hold big drug companies accountable, increase competition, and deliver savings that will benefit the American people. We stand ready to work with you to lower drug prices, protect Medicare negotiation, and put patients and taxpayers first.

Sincerely,

AARP

Patients For Affordable Drugs Now