



ENERGY & COMMERCE NEWSROOM

CHAIRMAN FRANK PALLONE, JR. | 116TH CONGRESS

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Pallone Opening Remarks at Health Subcommittee Markup on 12 Bills to Lower Health Care & Prescription Drug Costs

Washington, D.C. – *Energy and Commerce Chairman Frank Pallone, Jr. (D-NJ) delivered the following opening remarks at a Health Subcommittee markup on H.R. 1781, H.R. 938, H.R. 1520, H.R. 1503, H.R. 1499, H.R. 965, H.R. 1385, H.R. 1386, H.R. 1425, H.R. 987, H.R. 986, H.R. 1010:*

Thank you, Chairwoman Eshoo. Today we are considering twelve bills that will lower Americans' health care and prescription drug costs. Taken together these bills will strengthen our nation's health care system, reverse the Trump Administration's sabotage of the Affordable Care Act (ACA) and help lower the cost of health care and prescription drugs.

Our actions here today in Subcommittee are even more critical as the Trump Administration announced earlier this week that it will support a federal court judge's decision to throw out the entire ACA. That would mean millions of Americans would lose their health insurance and would take us back to the days when people with pre-existing conditions could be discriminated against. This action is simply inexcusable, and we will do everything we can to defeat this attempt to rip health care away from millions of Americans. We must strengthen our health care system and help make health care and prescription drugs more affordable for all Americans.

The first batch of bills we will consider today will lower the soaring cost of prescription drugs by removing barriers that block competing generic products from coming to market sooner. One of the most effective ways to bring down the cost of prescription drugs is to ensure that generics can come to market as soon as possible. According to one estimate, the average drug price decreased by 50 percent in the first year after a generic product entered the market and decreased by 80 percent within five years. The evidence is clear, facilitating greater competition from generic and biosimilar products will lead to substantial cost savings for consumers and taxpayers, as well as our health care system.

Several of the proposals up for consideration today are intended to limit practices that intentionally delay generic products from coming to market including pay-for-delay

arrangements, so-called exclusivity parking, and unfair restrictions of the REMS program that delay access to the samples of branded drug products that generic companies need to develop competing versions. Eliminating these barriers to market entry will prevent certain brand manufacturers from manipulating the system to artificially extend their products' market monopolies at the expense of consumers.

We will also consider proposals that will help increase the accuracy and transparency of two FDA databases that help to guide development decisions for generic and biosimilar manufacturers.

We will also be considering an additional bill that provides MedPAC and MACPAC with access to important rebate and drug pricing information that will ensure these nonpartisan Commissions have the information they need to better inform Congress on these issues.

Together, these bills are a strong first step in making prescription drugs more affordable and will providing real relief to hardworking Americans.

The second batch of bills we will consider today will help lower Americans' health care costs, protect people living with pre-existing conditions and reverse some of the most harmful actions the Trump Administration has carried out to sabotage the ACA.

Two of the proposals we will consider today will restore funding for the Navigator program and outreach and enrollment efforts that help provide consumers with the support and information they need to make the right health care decisions for their families. A robust outreach and enrollment effort will lead to lower premiums for everyone by increasing overall enrollment numbers.

We will also consider proposals to provide states with funding to establish their own State-Based Marketplaces and to establish reinsurance programs, which will help make health care more affordable.

Finally, we will consider legislation to reverse the Trump Administration's actions to undermine protections for people living with pre-existing conditions through abuse of the 1332 waiver program and expansion of junk plans.

The Administration's expansion of junk plans allows companies to once again discriminate against people with pre-existing conditions and puts consumers at significant financial risk by refusing to cover basic benefits like prescription drugs, maternity care, and mental health and substance abuse treatment.

Similarly, the Administration's 1332 waiver guidance undermines the consumer protections established in the ACA by giving insurance companies permission to once again discriminate against people with pre-existing conditions and to allow federal subsidies to be applied toward junk plans. Reversing these disastrous decisions are two of the most important things we can do to protect consumers and ensure the long-term stability of the individual insurance market.

I want to thank my colleagues for all their work to get us here today. Today's markup is the first step in following through on our commitment to lower the costs of health care and prescription drugs for all Americans. I look forward to continuing to work together on behalf of patients and consumers to ensure all Americans can afford quality health care and lifesaving medications.

Thank you, I yield back.

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