June 18, 2019

The Honorable John Cornyn
U.S. Senator
517 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Richard Blumenthal
U.S. Senator
706 Hart Senate Office Building
Washington, D.C. 20510

Dear Senators Cornyn and Blumenthal:

AARP, on behalf of its nearly 38 million members and all older Americans nationwide, is pleased to endorse S.1416, the Affordable Prescriptions for Patients Act. This legislation will help to reduce abusive patenting practices that keep lower-cost generic medications from coming to market.

Older adults are particularly vulnerable to high prescription drug prices. Medicare Part D enrollees take an average of 4-5 prescriptions per month, and over two-thirds have two or more concurrent chronic illnesses. When older Americans talk about the impact of high prescription drug prices, they are often talking about costs that they will face every year for the rest of their lives. The annual median income of Medicare beneficiaries is just over $26,000. One-quarter have less than $15,000 in savings. This population simply cannot afford to keep paying higher and higher prices for the medications they need.

AARP’s most recent Rx Price Watch Report found that, on average, the prices of brand-name drugs widely used by older Americans increased four times faster than the rate of inflation in 2017. Further, the average annual cost for a brand-name drug used on a chronic basis was nearly $6,800, almost $1,000 higher than the average annual cost just two years earlier.

AARP is pleased to endorse S.1416, the Affordable Prescriptions for Patients Act as one step to help improve competition and reduce drug prices. This legislation will empower the Federal Trade Commission (FTC) to challenge certain anti-competitive practices employed by brand-name drug companies meant to delay generic competition. Unfortunately, anti-consumer practices like patent thicketing and product hopping have become commonly used tools to slow or prevent generic competition, at the expense of patients and taxpayers. In fact, a recent report found that an average of
125 patent applications have been filed on the twelve best-selling drugs, and those drugs have been reportedly granted, on average, 71 patents per drug. It is critical that we deter practices such as patent thicketing and product hopping if we hope to increase generic competition.

AARP appreciates your leadership in helping to lower drug prices for the millions of older Americans struggling to afford the prescription drugs they need. If you have any additional questions, feel free to contact me or have your staff contact Amy Kelbick on our Government Affairs staff at akelbick@aarp.org or 202-434-2648.

Sincerely,

David Certner
Legislative Counsel and Legislative Policy Director
Government Affairs