



601 E Street, NW | Washington, DC 20049
202-434-2277 | 1-888-OUR-AARP | 1-888-687-2277 | TTY: 1-877-434-7598
www.aarp.org | twitter: @aarp | facebook.com/aarp | youtube.com/aarp

August 12, 2019

The Honorable Chris Van Hollen
U.S. Senate
110 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Rick Scott
U.S. Senate
716 Hart Senate Office Building
Washington, D.C. 20510

Dear Senators Van Hollen and Scott:

AARP, on behalf of its nearly 38 million members and all older Americans nationwide, is pleased to endorse S.2387, the We Protect American Investment in Drugs (PAID) Act, to help ensure drugs developed with taxpayer dollars are reasonably priced. We thank you for working in a bipartisan way to help lower prescription drug prices.

Older adults are particularly vulnerable to high prescription drug prices. Medicare Part D enrollees take an average of four to five 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 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. For the average Part D enrollee who takes 4.5 medications regularly, the annual cost of therapy would have been more than \$30,000 in 2017—more than 20 percent higher than the median income for Medicare beneficiaries.

Your bipartisan bill, the We PAID Act, is one step to help reduce drug prices. This legislation would help to ensure that prescription drugs developed in part or in full with federal funding are reasonably priced. Each year, federal taxpayers contribute billions towards the development of new drugs. In fact, every single one of the 210 drugs approved by the Food and Drug Administration (FDA) from 2010-2016 was based on some element of science funded by taxpayers through the National Institutes of Health (NIH). However, those same drugs are often

priced so high that they are unaffordable to the millions of older Americans who need them. There is no reason why Americans should be unable to afford the prescription drugs that their tax dollars helped to develop.

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 questions, please feel free to contact me, or have your staff contact Amy Kelbick on our Government Affairs staff at akelbick@aarp.org.

Sincerely,

A handwritten signature in black ink, appearing to read "David Certner", with a long horizontal flourish extending to the right.

David Certner
Legislative Counsel & Legislative Policy Director
Government Affairs