



1919 University Avenue W., Suite #500 | Saint Paul, MN 55104  
 1-866-554-5381 | Fax: 651-644-5539 | TTY: 1-877-434-7598  
 aarp.org/mn | aarpmn@aarp.org | twitter: @aarpmn  
 facebook.com/AARPMinnesota

May 2, 2023

**TO:** Chair Klein and Stephenson and Senators Seeberger, Rasmusson, and Representatives Kotyza- Witthunh, O'Driscoll

**RE: AARP Supports House Position on Prescription Drug Affordability Board and Prohibiting RX Price Gouging (HF2680)**

Dear Chairs Klein and Stephenson and Members of the Conference Committee,

On behalf of our nearly 620,000 members statewide, AARP is writing to support the provisions in these bills that establish a prescription drug affordability review board (PDAB) and prohibits price gouging by drug manufacturers.

**However, we strongly urge the adoption of the House language, as we have serious concerns with the Senate language**, which prevents the board’s review of all rare drug treatments and drugs that have been on the market for less than seven years.

The proposed exclusion for all drugs that treat rare diseases is unnecessarily broad and may prevent the PDAB from limiting the high prices of drugs that may treat rare diseases but also have a much broader therapeutic profile.” For example, Humira is the poster child of orphan drugs with a broader profile. It has an orphan designation and is one of the most expensive drugs for payers and consumers.

Moreover, a recent analysis of what drugs would qualify for Medicare negotiations because of their expense would not be eligible under the Senate language because they have been on the market for less than seven years. These include the following drugs that treat cancer, diabetes and COPD, and Crohn’s disease:

Brand	Generic	Approved	Avg retail price (per mo or course of treatment)
Revlimid	Lenalidomide	2017	\$13,987.04
Imbruvica	Ibrutinib	2017	\$16,390.41
Ibrance	Palbociclib	2017	\$14,484.77
Trelegy Ellipta	Fluticasone/Umeclidin/Vilanter	2020	\$738.04
Ozempic	Semaglutide	2020	\$1,049.60
Stelara	Ustekinumab	2020	\$26,874.40

Lowering the cost of Prescription drugs is a high priority for AARP. High drug costs hurt everyone, not only those who rely on prescription drugs for their health but all of us who are paying higher premiums and out-of-pocket costs, as well as the taxpayers who help fund our public programs.

Americans have seen their prescription drug prices skyrocket. And they are sick and tired of paying the highest drug prices in the world for critically needed medication. About 30 years ago, the public was outraged over a drug costing less than \$10,000 annually. We now have drugs approaching \$1 million per year.

Under this bill, the Board can review drug prices that pose an affordability challenge and set upper payment limits that apply throughout the healthcare system to protect consumers, state and local governments, providers, and all stakeholders. Prohibiting price gouging will protect consumers from sudden and unreasonable spikes in generic drug prices.

Efforts like these will ensure that consumers can access and afford the medications they need and could save millions of dollars for patients, taxpayers, and our healthcare system. On behalf of our members and countless others, we urge conferees to pass the House position to rein in the high costs of drug prices.

Sincerely,

A handwritten signature in black ink that reads "Cathy McLeer". The signature is written in a cursive style and is positioned above the typed name and title.

Cathy McLeer  
State Director, AARP Minnesota