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February 28, 2022

House Appropriations Committee
Washington State Capitol
416 Sid Snyder Avenue SW
Olympia, WA 98504

Dear Representative,

The House Health and Long-Term Care Committee will be hearing [SB 5532](#), on February 28, 2022. The bill would create a prescription drug affordability board to review prescription drug prices and implement price controls. On behalf of the 49,792 members and supporters of the Council for Citizens Against Government Waste (CCAGW) in Washington, I urge you to oppose this legislation.

SB 5532 would create a new bureaucracy that would have the power to use an upper payment limit (UPL) to set prices for prescription drugs. This UPL would apply to health insurers, pharmacy benefit managers (PBMs), health care providers, hospitals, or any facility that administers medications to patients, none of which would be allowed to charge more than the UPL. The board can choose up to 12 drugs to review that fall within the introductory wholesale acquisition cost (WAC) above certain price thresholds for brand name drugs, generic drugs, and biologics.

The bill institutes harsh restrictions on biopharmaceutical companies. If a manufacturer removes a drug from the marketplace for any reason, that drug cannot be sold in Washington for five years unless a petition from the manufacturer during that time is granted. This not only impinges on patient choice, but it also puts them at risk of losing access to life-saving medications. This bill is especially concerning for Washingtonians living with a rare disease.

Instituting price controls will also cause the loss of jobs and damage the economy in Washington. The biopharmaceutical sector employs more than 57,000 Washingtonians and provides nearly \$13.5 billion in annual economic output. Between 2015-2020, biopharmaceutical infrastructure spending totaled \$445 million.

Instead of supporting SB 5532, which would harm patients and stifle investment and innovation, legislators should work with members of Congress and urge the Food and Drug Administration to expedite the approval of safe and effective generic drugs. Again, I urge you to oppose this harmful and unnecessary bill.

Sincerely,

Tom Schatz