



## Support the Ensuring Access to Lower-Cost Medicines for Seniors Act (H.R. 2846)

*Sponsored by Reps. Ann Kuster (D-NH) and David McKinley (R-WV)*

**About the Diabetes Patient Advocacy Coalition (DPAC):** DPAC is an alliance of people with diabetes, caregivers, patient advocates, health professionals, diabetes organizations and companies working together to support public policy initiatives on behalf of all 34.2 million Americans with diabetes. As an organization co-founded and run by people with diabetes, DPAC seeks to ensure the safety and quality of medications, devices and services, and aims to improve access to care.

**Background:** Of the 34.2 million Americans with diabetes (types 1 and 2), about one-third require insulin to manage their disease. For people with diabetes, out-of-pocket costs for insulin can be a major expense, whether they are insured in the commercial market, enrolled in Medicare, or are under- or uninsured. Recent studies indicate that up to one out of four insulin users have rationed their insulin use due to cost, leading to serious and even life-threatening complications. The need in Medicare beneficiaries is particularly acute. In fact, as of 2017, one-third of Medicare beneficiaries were diagnosed with diabetes as the rate of diabetes in the overall population trended upward, the highest among people 65 and over. Though not all people with diabetes need insulin, it is a life-saving medication for those who do.

A “biosimilar product” is a biologic product that is very similar to another FDA-approved biologic product, and that has no clinically meaningful difference in terms of safety and effectiveness. Biosimilars include medications for treating many serious illnesses and chronic health conditions, including diabetes. They have the potential to reduce healthcare costs across numerous chronic disease states, with those marketed in the U.S. typically having initial list prices 15% to 35% lower than comparative list prices of the reference products. In 2019 alone, generics and biosimilars saved Medicare beneficiaries over \$96 billion.

In late July 2021, the FDA approved the first interchangeable biosimilar insulin product, providing diabetes patients an important therapeutic option and the hope that additional biosimilars will be brought to market and reduce their out-of-pocket costs.

**Need:** Patients may not actually realize the potential savings in out-of-pocket costs due to an increasing number of generic and biosimilar medicines being excluded from Medicare Part D prescription drug plans. Over the last decade, generic coverage on generic formulary tiers has dropped from 93% to 45%, due in large part to perverse incentives in Medicare that encourage

the use of high-cost brand-name biologics and other specialty medicines. As a result, some Medicare beneficiaries are forced to pay higher out-of-pocket costs totaling \$4 billion annually.

In contrast, generics and biosimilars are immediately covered on lower cost-sharing tiers for 90% of patients with private health care.

The *Ensuring Access to Lower-Cost Medicines for Seniors Act* would help ensure Americans receiving drug coverage through the Medicare Part D program are able to access and fully benefit from lower-cost generics and biosimilars. Specifically, the legislation would ensure that new generics and biosimilars are covered by Medicare upon launch; require that generics be placed only on generic tiers with lower cost-sharing and not higher brand cost-sharing tiers; and establish a new specialty tier for biosimilars and specialty generics.

**Request:** Please cosponsor H.R. 2846, the *Ensuring Access to Lower-Cost Medicines for Seniors Act*, to ensure Americans with diabetes receiving drug coverage through the Medicare Part D program have full access to low-cost generics and biosimilars.

**Contact:**

Julie Babbage  
Executive Director, DPAC  
[jbabbage@diabetespac.org](mailto:jbabbage@diabetespac.org)  
859-977-9460

George Huntley  
Chief Executive Officer, DPAC  
[ghuntley@diabetesleadership.org](mailto:ghuntley@diabetesleadership.org)  
317-443-6063

Jared Sutton, Winning Strategies Washington  
[jsutton@wswdc.com](mailto:jsutton@wswdc.com)  
954-864-5634

Charla Penn, Winning Strategies Washington  
[charla@wswdc.com](mailto:charla@wswdc.com)  
202-589-0800