



Richard J. Fiesta, Chair

January 30, 2019

Dear Representative:

The Leadership Council of Aging Organizations (LCAO) is a coalition of 69 national nonprofit organizations concerned with the well-being of America's older population and committed to representing their interests in the policy-making arena. LCAO serves as a source of information about issues affecting older adults and provides leadership and vision as America meets the challenges and opportunities presented by our aging society. Our organizations have expertise in health care, economic security, nutrition and food security, housing, and other issues facing older adults and people with disabilities, and are committed to advancing public health and promoting access to affordable medicines to keep these populations healthy and improve their well-being and the well-being of their families.

Today, high prescription drug prices force older adults across America to choose whether to take the medicines they need or to ration or go without needed treatments. Nearly one-in-four Americans report that they or another family member have not filled a recent prescription because of cost. Lack of needed medication causes preventable suffering and death and higher health care costs both for consumers and government programs. We are especially troubled about the effect of high prescription drug costs and limited access on older adults and people with disabilities who often rely on timely medication administration to preserve their health and functioning.

We are very concerned that provisions currently included in the proposed NAFTA 2.0 (referred to by the Trump administration as the "United States-Mexico-Canada Agreement") would entrench and expand prescription drug monopoly protections, thwart competition, and undermine efforts to expand access to affordable medicines. NAFTA 2.0 includes terms that would lock in place existing U.S. policies that have led to high medicine prices, undermining the authority of this and future Congresses to implement important reforms to expand generic and biosimilar competition, lower medicine prices, and expand access. Once implemented, changes to the NAFTA 2.0 terms would require consensus among all of the signatory countries and violation of the terms, even through valid Congressional legislation, could lead to sanctions.

For example, NAFTA 2.0 could lock the United States into

- minimum 10-year marketing exclusivity periods for new biologic medicines, which includes many of the critical new treatments for cancer and heart disease and even vaccines;
- policies that extend patent terms for perceived delays in patent examinations and FDA reviews;
- marketing exclusivities that prevent competition even after a medicine’s patent term expires;
- requirements to provide secondary patents that facilitate patent “evergreening,” which extends monopoly protections well beyond 20-year patent terms without any increased therapeutic benefits for patients; and
- rules that may allow drug manufacturers too much influence over which products are covered in Medicare and how much to reimburse for those products.

Out-of-pocket expenses for older adults and people with disabilities are climbing sharply, and American consumers and programs routinely pay more for prescription drugs than people and governments in other countries throughout the world. Locking the United States into the policies that have led to high medicine prices here will not remedy our problem, nor will trying to impose these U.S. policies on Mexico and Canada through NAFTA 2.0.

We urge legislators to pursue domestic medicine-pricing reforms that would curb monopoly abuses, promote competition, stop price spikes and leverage government negotiating power. NAFTA 2.0 could interfere with each of these objectives.

We urge you to insist that the administration eliminate the provisions in the NAFTA 2.0 text that undermine affordable access to medicines in the United States and abroad. It is imperative that NAFTA 2.0 and any other future U.S. trade deals do not thwart domestic reforms to lower prescription drug prices and make medicines affordable and accessible for older adults and people with disabilities.

Sincerely,

AARP

AFL-CIO

AFSCME Retirees

Aging Life Care Association

Alliance for Retired Americans

AMDA – The Society for Post-Acute and Long-Term Care Medicine

American Association of Service Coordinators (AASC)

American Federation of Government Employees (AFGE)

American Federation of Teachers Program on Retirement and Retirees (AFT)

American Geriatrics Society (AGS)
American Postal Workers Union Retirees (APWU)
American Society on Aging (ASA)
Asociacion Nacional Pro Personas Mayores (ANPPM)
Association for Gerontology and Human Development in Historically Black Colleges and Universities (AGHDHBCU)
B'nai B'rith
Caring Across Generations
Center for Medicare Advocacy
Community Catalyst
FamiliesUSA
International Union, United Automobile, Aerospace, and Agricultural Implement Workers of America (UAW)
Justice in Aging
Medicare Rights Center
National Academy of Elder Law Attorneys (NAELA)
National Adult Day Services Association (NADSA)
National Committee to Preserve Social Security and Medicare (NCPSSM)
Service Employees International Union (SEIU)
Social Security Works
Women's Institute for a Secure Retirement (WISER)