

June 22, 2022

The Honorable Patty Murray

Chairwoman

U.S. Senate Committee on Health, Education, Labor and Pensions (HELP)

Dirksen Senate Office Building, SD-428

Washington, DC 20510

The Honorable Richard Burr

Ranking Member

U.S. Senate Committee on Health, Education, Labor and Pensions (HELP)

Dirksen Senate Office Building, SD-428

Washington, DC 20510

Dear Senators Murray and Burr:

As organizations committed to public health and lowering drug prices, we urge the Senate HELP Committee to immediately support and advance the Pharmaceutical Research Transparency Act of 2022 ([H.R. 7474/S.4037](#)).

We appreciate your committee's efforts to ensure that U.S.-funded biomedical research is aligned with pressing public health needs and that Americans have timely access to truly safe and effective therapies. As you know, there is still much work left to do on these issues: 40% of Americans [struggle to afford](#) their prescription medicines and [many are rationing](#) or [delaying initiation](#) lifesaving treatments. The goal of medical research and development (R&D) is to discover, develop, and deliver tools that meet pressing public health needs, but every day, clinicians see high prices preventing patients in the U.S. and [around the globe](#) from accessing prescribed medicines.

For decades, pharmaceutical companies have argued that the prices set for medicines need to be high because bringing new drugs to market is incredibly expensive. Yet key evidence behind this claim remains a closely held secret. Pharmaceutical companies leave the public in the dark about how much drug development actually costs. The little that we currently know about R&D expenditures – revealed by recent [Congressional investigations](#), for example – suggests that pharmaceutical companies exaggerate their spending. Pharmaceutical companies' revenues are increasingly "re-invested" into [executive compensation, stock buybacks, and dividends](#) rather than R&D. **The [Pharmaceutical Research Transparency Act of 2022](#) would provide the public with access to crucial information and a much clearer sense of whether pricing is fair.**

The later stages of the R&D process, particularly clinical trials, are often described as the most expensive part but detailed information about trial costs is not publicly available. Sharing cost data would yield many benefits. **Clinical trial cost transparency would allow purchasers of health technologies to interrogate claims about pharma’s need to recoup R&D costs through high prices. Ultimately – when cost transparency is coupled with the capability to negotiate prices – purchasers can bargain more effectively for fair prices.** Cost transparency will be indispensable for Medicare drug price negotiation — a [widely popular](#) proposal currently being [considered in Congress](#) — to have its desired cost-saving impact. It would similarly [serve](#) nonprofit groups like Doctors Without Borders that purchase medicines and advocate for equitable global access to medical innovations. Cost disclosure would also strengthen public and philanthropic-led drug discovery, by sharpening estimates of the true costs of late-stage clinical research.

Keeping clinical trial costs secret is particularly unacceptable when taxpayers are footing the bill. The U.S. is the [largest public funder](#) of biomedical research in the world, not only providing the basic science bedrock on which most R&D is built but playing a major [role](#) in the late-stage development of novel health technologies, including [biologics](#) and [gene therapies](#), as well as tools to fight [COVID-19](#). To build on U.S. success in shepherding COVID-19 health technologies, Congress is currently considering establishing new biomedical funding mechanisms such as the [Advanced Research Projects Agency for Health \(ARPA-H\)](#). Congress serves an important role in ensuring that taxpayer funds such as these are appropriately spent. The information provided through the Pharmaceutical Research Transparency Act would help Congress curb government overspending and keep Americans from paying twice for publicly-funded health technologies, whether for procurement or in the form of higher premiums when federal programs are expected to provide coverage.

The Biden administration can act on transparency without Congress. We and many other groups recently [called](#) on the Department of Health and Human Services (HHS) and its agencies, including the National Institutes of Health (NIH), to disclose the costs of all clinical trials they fund or conduct. Such disclosure is within the agency’s [legal authority](#). Yet the [reply](#) we received from HHS was boilerplate, expressing no specific plan or intent to share cost data. President Biden, HHS, and any nominee for the vacant NIH director position should embrace the proactive cost disclosure we called for and which the Pharmaceutical Research Transparency Act would compel.

The Act has two parts that would, together, dramatically increase public transparency into the costs of clinical trials and overall R&D expenditure by: 1) creating a public database of clinical trial cost data for all drugs with the requirement that trial sponsors submit such cost data within a year of trial completion; and 2) mandating that drug manufacturers report disaggregated clinical trial costs in their annual securities filings. The bill builds upon a 2007 federal law that mandates researchers [publicly register and report clinical trial](#)

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Amidst the ongoing pandemic, at a time when the U.S. government continues to invest additional billions of dollars to develop tools to fight COVID-19 and other infectious threats, transparency and accountability in drug discovery and development have never been more important – both for the American public and the larger global community. We urge you to take swift action to ensure passage of the Pharmaceutical Research Transparency Act to help secure fair prices for drugs, fair public returns on public investments in R&D, and equitable access to the fruits of scientific progress.

Sincerely,

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Social Security Works
T1International
Treatment Action Group (TAG)
U.S. PIRG
Universities Allied for Essential Medicines (UAEM)

June 22, 2022

The Honorable Ron Wyden
Chairman
U.S. Senate Committee on Finance
Dirksen Senate Office Building, SD-219
Washington, DC 20510

The Honorable Mike Crapo
Ranking Member
U.S. Senate Committee on Finance
Dirksen Senate Office Building, SD-219
Washington, DC 20510

Dear Senators Wyden and Crapo:

As organizations committed to public health and lowering drug prices, we urge the Senate Finance Committee to immediately support and advance the Pharmaceutical Research Transparency Act of 2022 ([H.R. 7474/S.4037](#)).

We appreciate your committee's efforts to tackle the issue of high drug prices and ensure that U.S. resources are used in a way which maximizes public returns on taxpayers' significant investment in biomedical research. As you know, there is still much work left to do on these issues: 40% of Americans [struggle to afford](#) their prescription medicines and [many are rationing](#) or [delaying initiation](#) lifesaving treatments. The goal of medical research and development (R&D) is to discover, develop, and deliver tools that meet pressing public health needs, but every day, clinicians see high prices preventing patients in the U.S. and [around the globe](#) from accessing prescribed medicines.

For decades, pharmaceutical companies have argued that the prices set for medicines need to be high because bringing new drugs to market is incredibly expensive. Yet key evidence behind this claim remains a closely held secret. Pharmaceutical companies leave the public in the dark about how much drug development actually costs. The little that we currently know about R&D expenditures – revealed by recent [Congressional investigations](#), for example – suggests that pharmaceutical companies exaggerate their spending. Pharmaceutical companies' revenues are increasingly "re-invested" into [executive compensation, stock buybacks, and dividends](#) rather than R&D. **The [Pharmaceutical Research Transparency Act of 2022](#) would provide the public with access to crucial information and a much clearer sense of whether pricing is fair.**

The later stages of the R&D process, particularly clinical trials, are often described as the most expensive part but detailed information about trial costs is not publicly available. Sharing cost data would yield many benefits. **Clinical trial cost transparency would allow purchasers of health technologies to interrogate claims about pharma’s need to recoup R&D costs through high prices. Ultimately – when cost transparency is coupled with the capability to negotiate prices – purchasers can bargain more effectively for fair prices.** Cost transparency will be indispensable for Medicare drug price negotiation — a [widely popular](#) proposal currently being [considered in Congress](#) — to have its desired cost-saving impact. It would similarly [serve](#) nonprofit groups like Doctors Without Borders that purchase medicines and advocate for equitable global access to medical innovations. Cost disclosure would also strengthen public and philanthropic-led drug discovery, by sharpening estimates of the true costs of late-stage clinical research.

Keeping clinical trial costs secret is particularly unacceptable when taxpayers are footing the bill. The U.S. is the [largest public funder](#) of biomedical research in the world, not only providing the basic science bedrock on which most R&D is built but playing a major [role](#) in the late-stage development of novel health technologies, including [biologics](#) and [gene therapies](#), as well as tools to fight [COVID-19](#). To build on U.S. success in shepherding COVID-19 health technologies, Congress is currently considering establishing new biomedical funding mechanisms such as the [Advanced Research Projects Agency for Health \(ARPA-H\)](#). Congress serves an important role in ensuring that taxpayer funds such as these are appropriately spent. The information provided through the Pharmaceutical Research Transparency Act would help Congress curb government overspending and keep Americans from paying twice for publicly-funded health technologies, whether for procurement or in the form of higher premiums when federal programs are expected to provide coverage.

The Biden administration can act on transparency without Congress. We and many other groups recently [called](#) on the Department of Health and Human Services (HHS) and its agencies, including the National Institutes of Health (NIH), to disclose the costs of all clinical trials they fund or conduct. Such disclosure is within the agency’s [legal authority](#). Yet the [reply](#) we received from HHS was boilerplate, expressing no specific plan or intent to share cost data. President Biden, HHS, and any nominee for the vacant NIH director position should embrace the proactive cost disclosure we called for and which the Pharmaceutical Research Transparency Act would compel.

The Act has two parts that would, together, dramatically increase public transparency into the costs of clinical trials and overall R&D expenditure by: 1) creating a public database of clinical trial cost data for all drugs with the requirement that trial sponsors submit such cost data within a year of trial completion; and 2) mandating that drug manufacturers report disaggregated clinical trial costs in their annual securities filings. The bill builds upon a 2007 federal law that mandates researchers [publicly register and report clinical trial](#)

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Universities Allied for Essential Medicines (UAEM)

June 22, 2022

The Honorable Frank Pallone
Chairman
U.S. House Committee on Energy and Commerce
Rayburn House Office Building 2125
Washington, DC 20515

The Honorable Cathy McMorris Rodgers
Ranking Member
U.S. House Committee on Energy and Commerce
Rayburn House Office Building 2125
Washington, DC 20515

Dear Representatives Pallone and McMorris Rodgers:

As organizations committed to public health and lowering drug prices, we urge the House Energy and Commerce Committee to immediately support and advance the Pharmaceutical Research Transparency Act of 2022 ([H.R. 7474/S.4037](#)).

We appreciate your committee's efforts to tackle the issue of high drug prices, facilitate medical innovation, and maximize public returns on taxpayers' significant investment in biomedical research. As you know, there is still much work left to do on these issues: 40% of Americans [struggle to afford](#) their prescription medicines and [many are rationing](#) or [delaying initiation](#) lifesaving treatments. The goal of medical research and development (R&D) is to discover, develop, and deliver tools that meet pressing public health needs, but every day, clinicians see high prices preventing patients in the U.S. and [around the globe](#) from accessing prescribed medicines.

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Keeping clinical trial costs secret is particularly unacceptable when taxpayers are footing the bill. The U.S. is the [largest public funder](#) of biomedical research in the world, not only providing the basic science bedrock on which most R&D is built but playing a major [role](#) in the late-stage development of novel health technologies, including [biologics](#) and [gene therapies](#), as well as tools to fight [COVID-19](#). To build on U.S. success in shepherding COVID-19 health technologies, Congress is currently considering establishing new biomedical funding mechanisms such as the [Advanced Research Projects Agency for Health \(ARPA-H\)](#). Congress serves an important role in ensuring that taxpayer funds such as these are appropriately spent. The information provided through the Pharmaceutical Research Transparency Act would help Congress curb government overspending and keep Americans from paying twice for publicly-funded health technologies, whether for procurement or in the form of higher premiums when federal programs are expected to provide coverage.

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Universities Allied for Essential Medicines (UAEM)

June 22, 2022

The Honorable Maxine Waters
Chairwoman
U.S. House Committee on Financial Services
Rayburn House Office Building 2129
Washington, DC 20515

The Honorable Patrick T. McHenry
Ranking Member
U.S. House Committee on Financial Services
Rayburn House Office Building 2129
Washington, DC 20515

Dear Representatives Waters and McHenry:

As organizations committed to public health and lowering drug prices, we urge the House Financial Services Committee to immediately support and advance the Pharmaceutical Research Transparency Act of 2022 ([H.R. 7474/S.4037](#)).

We commend your committee for its attention to systemic inequities confronting consumers. The fact that a large proportion of people cannot afford essential medicines is both a stark indicator of the progress yet to be made and a direct obstacle to broader expansion of economic opportunity. With 40% of Americans [struggling to afford](#) their prescription medicines and [many rationing or delaying initiation](#) lifesaving treatments, it is clear that something is deeply wrong. The goal of medical research and development (R&D) is to discover, develop, and deliver tools that meet pressing public health needs, but every day, clinicians see high prices preventing patients in the U.S. and [around the globe](#) from accessing prescribed medicines.

For decades, pharmaceutical companies have argued that the prices set for medicines need to be high because bringing new drugs to market is incredibly expensive. Yet key evidence behind this claim remains a closely held secret. Pharmaceutical companies leave the public in the dark about how much drug development actually costs. The little that we currently know about R&D expenditures – revealed by recent [Congressional investigations](#), for example – suggests that pharmaceutical companies exaggerate their spending. Pharmaceutical companies' revenues are increasingly "re-invested" into [executive compensation, stock buybacks, and dividends](#) rather than R&D. **The [Pharmaceutical Research Transparency Act of 2022](#) would provide the public with access to crucial information and a much clearer sense of whether pricing is fair.**

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Keeping clinical trial costs secret is particularly unacceptable when taxpayers are footing the bill. The U.S. is the [largest public funder](#) of biomedical research in the world, not only providing the basic science bedrock on which most R&D is built but playing a major [role](#) in the late-stage development of novel health technologies, including [biologics](#) and [gene therapies](#), as well as tools to fight [COVID-19](#). To build on U.S. success in shepherding COVID-19 health technologies, Congress is currently considering establishing new biomedical funding mechanisms such as the [Advanced Research Projects Agency for Health \(ARPA-H\)](#). Congress serves an important role in ensuring that taxpayer funds such as these are appropriately spent. The information provided through the Pharmaceutical Research Transparency Act would help Congress curb government overspending and keep Americans from paying twice for publicly-funded health technologies, whether for procurement or in the form of higher premiums when federal programs are expected to provide coverage.

The Biden administration can act on transparency without Congress. We and many other groups recently [called](#) on the Department of Health and Human Services (HHS) and its agencies, including the National Institutes of Health (NIH), to disclose the costs of all clinical trials they fund or conduct. Such disclosure is within the agency’s [legal authority](#). Yet the [reply](#) we received from HHS was boilerplate, expressing no specific plan or intent to share cost data. President Biden, HHS, and any nominee for the vacant NIH director position should embrace the proactive cost disclosure we called for and which the Pharmaceutical Research Transparency Act would compel.

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June 22, 2022

The Honorable Carolyn Maloney
Chairwoman
U.S. House Committee on Oversight and Reform
Rayburn House Office Building 2157
Washington, DC 20515

The Honorable James Comer
Ranking Member
U.S. House Committee on Oversight and Reform
Rayburn House Office Building 2157
Washington, DC 20515

Dear Representatives Maloney and Comer:

As organizations committed to public health and lowering drug prices, we urge the House Oversight and Reform Committee to immediately support and advance the Pharmaceutical Research Transparency Act of 2022 ([H.R. 7474/S.4037](#)).

We greatly appreciate your committee's extraordinary efforts to lower drug prices through legislation and uncover the root causes of high prices with its nearly three-year investigation into pricing and business practices for branded prescription drugs. As you well know, there is much work left to be done on these issues: 40% of Americans [struggle to afford](#) their prescription medicines and [many are rationing](#) or [delaying initiation](#) lifesaving treatments. The goal of medical research and development (R&D) is to discover, develop, and deliver tools that meet pressing public health needs, but every day, clinicians see high prices preventing patients in the U.S. and [around the globe](#) from accessing prescribed medicines.

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