

GPhA Comments on 15-15 Senate Appropriations Committee Vote on Patent Settlements

The Generic Pharmaceutical Association (GPhA) issued the following statement regarding the Senate Appropriations Committee vote on patent settlements:

GPhA is extremely disappointed that a legislation that could ultimately ban patent settlements ban passed out of the Senate Appropriations Committee last evening. However, the Association noted the measure passed by the narrowest of margins, 15 to 15.

We are encouraged that a growing number of members of Congress are taking a closer look at the language and recognizing that a ban on settlements is a ban on pro-consumer access to medicines and the tremendous savings that results. We applaud Senators on both sides of the aisle who voted to strike the provision during the mark-up. We especially thank Senators Arlen Specter, Frank Lautenberg, Ben Nelson, and Barbara Mikulski for their valiant efforts on behalf of consumers. GPhA will continue to work with members of Congress to educate them on the extremely negative impact this proposal will have on patient access and savings.

The anti-consumer provision was slipped into the Financial Services and General Government appropriations bill in the latest attempt to move forward legislation that has been unable to pass as a freestanding bill. Forcing policy changes into an appropriations bill is a procedural façade with highly negative impact: it will result in fewer generics medicines coming to market prior to patent expiration. This is not the way the process should work.

Patent settlements create competition and competition means more savings and greater access for consumers. Settlements guarantee generic drugs reach the market before patents expire, providing billions of dollars in additional savings to consumers, taxpayers and the health care system.

Earlier this week, GPhA released IMS data showing that generic drugs saved \$824 billion over the last decade and nearly \$140 billion in 2009 alone. Congress should be looking for ways to expand access to more affordable generic drugs, not make it more difficult. Banning patent settlements restricts access and increases costs.