

Contact: Jeff Joseph at 202-962-9230 or [jjoseph@bio.org](mailto:jjoseph@bio.org)<mailto:[jjoseph@bio.org](mailto:jjoseph@bio.org)>

## Administration's 2013 Budget Could Discourage Development of Cures and Breakthrough Medicines, Limit Patient Choice And Forestall Job Growth

(February 14, 2011) –Biotechnology Industry Organization (BIO) President and CEO Jim Greenwood issued the following statement in response to President Obama's FY 2013 budget proposal released yesterday:

"While BIO supports the broad goals of the President Obama's FY2013 budget, many of the provisions included in the proposal jeopardize continued biotech research and development that will lead to cures and breakthrough medicines for patients worldwide living with debilitating diseases. These provisions also threaten to undermine job growth here in the United States and run counter to the President's expressed desire to 'create an economy that is built to last.'

"The Administration's proposal to reduce the period of data exclusivity for innovative biologics manufacturers, for example, will discourage biotech innovation. The 12-year term of data protection for biologics included in the Affordable Care Act received widespread bipartisan support in the Congress during the consideration of the biosimilar pathway and is now settled U.S. law. The 12-year period continues to maintain strong bipartisan support in the Congress. A reduction in the exclusivity period will jeopardize the careful balance established to reduce costs, expand access, ensure patient safety and encourage continued biotechnology innovation that will create jobs and lead to breakthrough therapies and cures for deadly diseases.

"We continue to have strong concerns about strengthening the powers of the unelected Independent Payment Advisory Board (IPAB), as called for in the President's budget proposal. IPAB could enact broad changes to Medicare without Congressional oversight. Repealing IPAB is essential to protecting American access to quality medical care and is particularly important to populations such as seniors and the uninsured who rely on Medicare.

"We also oppose proposals to institute a Medicare Part D rebate for dual-eligibles. Medicare Part D is working well. Consumers are overwhelmingly pleased with this benefit, and the private competition between various drug plans keeps costs down. We should not disrupt this properly working benefit by adding unnecessary reforms.

"The provisions described above undermine the hope of cures and breakthrough new medicines for patients living with debilitating diseases including cancer, HIV/AIDS and MS. They jeopardize much needed job growth in our nation. And they threaten to end our nation's global leadership in biotech innovation.

"The biotechnology industry has long been an engine for economic development and job creation across the country and our sector is working to add more high-wage high-skilled jobs to our workforce. Currently the biotech sector supports a total of 8 million jobs nationwide, directly employing 1.42 million workers while sustaining an additional 6.6 million jobs across the country.

"We will continue to work with President Obama, members of his Administration and the Congress in pursuit of public policies that encourage investment in biotechnology innovation. Well constructed policies can help lead to cures and breakthrough new medicines, create jobs, propel continued innovation, and position our nation for continued leadership in the global marketplace."

## About BIO

BIO represents more than 1,100 biotechnology companies, academic institutions, state biotechnology centers and related organizations across the United States and in more than 30 other nations. BIO members are involved in the research and development of innovative healthcare, agricultural, industrial and environmental biotechnology products. BIO also produces the BIO International Convention, the world's largest gathering of the biotechnology industry, along with industry-leading investor and partnering meetings held around the world. BIO produces BIOtech Now <<http://biotech-now.org/>>, an online portal and monthly newsletter chronicling "innovations transforming our world." Subscribe to BIOtech Now. <<http://biotech-now.org/subscribe>>

## Upcoming BIO Events

BIO CEO & Investor Conference <<http://www.bio.org/events/conferences/bio-ceo-and-investor-conference/700-0>>

February 13-14, 2012

New York, NY

World Congress on Industrial Biotechnology & Bioprocessing <<http://www.bio.org/events/conferences/world-congress-industrial-biotechnology-bioprocessing/2800-0>>

April 29-May 2, 2012

Orlando, FL

2012 BIO International Convention <<http://convention.bio.org/>>

June 18-21, 2012

Boston, MA

###