

For Immediate Release

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

## BIO Comments on Obama Administration's Deficit Reduction Plan

Washington, D.C. (September 19, 2011) – The following statement was issued today by Biotechnology Industry Organization (BIO) President and CEO Jim Greenwood in response to President Obama's deficit reduction plan. The plan calls for, among other things, reducing the data exclusivity period for brand name biologics to seven years:

"BIO opposes any effort to reduce the data exclusivity period for brand name biologics established under the Affordable Care Act (ACA). The 12-year term of data protection for biologics included in the ACA received widespread bipartisan support in both the U.S. House and Senate 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 in the biosimilars pathway to reduce costs, ensure patient safety and encourage continued biotechnology innovation that will create jobs and lead to breakthrough therapies and cures for deadly diseases including cancer, HIV/AIDS, Parkinson's and Alzheimer's.

"In addition, as we have previously expressed, we have strong concerns about strengthening the powers of the unelected Independent Payment Advisory Board (IPAB). 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 like seniors and the uninsured that rely on Medicare.

"Further, BIO opposes the call to institute a Medicare Part D rebate for dual-eligibles. If there's one thing we know for certain, it's that Medicare Part D is working. Consumers are overwhelmingly pleased with this benefit, and the private competition between various drug plans keeps costs down. The last thing we should be doing is disrupting this properly working benefit by adding reforms which will upset this successful program.

"Like the President, BIO supports the goal of reducing our nation's budget deficit. Done properly, deficit reduction can help restore economic growth, create jobs and free-up the investment capital necessary to fund biotechnology research and development. We look forward to working with the Congress and the Obama Administration to reduce health care costs, and our nation's deficit, while increasing access to quality care, promoting biotechnology innovation that leads to cures, and creating jobs."

### 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

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