



California Public Employees' Retirement System

Executive Office

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The Honorable Senator Cory Gardner
United States Senate
354 Russell Senate Office Building
Washington, DC 20510

July 18, 2019

Subject: S. 1169, The "Ensuring Timely Access to Generics Act of 2019"

Dear Senator Gardner,

On behalf of the California Public Employees' Retirement System (CalPERS), I write to express support for S. 1169, the "Ensuring Timely Access to Generics Act of 2019," legislation that specifies factors the Food and Drug Administration may use to identify and deny citizen petitions that have been submitted for the primary purpose of delaying the approval of new generic drugs and biosimilars, and requires it to establish procedures for referring such petitions to the Federal Trade Commission.

CalPERS is the largest purchaser of public employee health benefits in California, and second largest purchaser in the nation, after the federal government. We purchase health benefits for approximately 1.5 million active and retired state, local government, and school employees and their family members. In 2019, CalPERS expects to spend more than \$9 billion to provide health benefits to our members. Of this expected \$9 billion spend, \$2 billion will be for outpatient prescription drugs alone.

Our experience has found that the use of generics, biosimilars, and evidence-based pharmacy benefit management strategies are critical to staying ahead of increasing prescription drug cost trends. Legislative proposals like S. 1169, aimed at ending anti-competitive practices used by some companies to block or delay market entry of lower-cost generic drugs and biological products, further assists our organization with its strategic goal to improve health care affordability.

I applaud you for your leadership on this measure and for your bipartisan approach to preserving access to affordable prescription drugs.

Please do not hesitate to contact me directly at (916) 795-3818, or your staff can contact Danny Brown, Chief of our Legislative Affairs Division, at (916) 795-2565, if we can be of any assistance as this measure proceeds.

Sincerely,

Marcie Frost
Chief Executive Officer