The Honorable Senator Patrick J. Leahy  
United States Senate  
437 Russell Senate Office Building  
Washington, DC 20510  

July 8, 2019  

Subject: S. 340, The “Creating and Restoring Equal Access to Equivalent Samples Act of 2019”

Dear Senator Leahy,

On behalf of the California Public Employees’ Retirement System (CalPERS), I write to express support for S. 340, the Creating and Restoring Equal Access to Equivalent Samples (CREASES) Act of 2019, legislation that would provide manufacturers of generic drugs and biological products access to samples and safety protocols they need to develop lower-cost generic and biosimilar versions of branded pharmaceuticals.

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.

CalPERS advocates for initiatives that support the development of a clear, efficient and timely regulatory pathway for biosimilars and interchangeable biologics; that end pay-for-delay arrangements between brand and generic pharmaceutical companies; and legislative efforts to end anti-competitive practices used by some companies to block or delay market entry of lower-cost generic drugs and biological products. Proposals, like the CREATES Act, that help to reduce the cost of prescription drugs while also maintaining appropriate quality and access, assist our organization in achieving its mission by improving health care affordability.

I applaud you for your leadership on this measure and for your bipartisan approach to promote competition in the market for prescription drugs and biological products.
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