

# HEALTH AND HUMAN SERVICES

## Resolution HHS-17-35

### **A RESOLUTION ENCOURAGING ADVANCEMENTS IN BIOPHARMACEUTICAL INNOVATION**

WHEREAS, biopharmaceutical innovation is a major contributor to improvements in better health and increased life expectancy in the United States;

WHEREAS, biopharmaceuticals account for on average only 10 percent of healthcare expenditures in the U.S. compared with hospital and physician services, which account for more than 50 percent according to the Centers for Medicaid and Medicare Services;

WHEREAS, when a branded biopharmaceutical loses patent protection, it becomes “generic” and the cost of that innovation dramatically declines;

WHEREAS, generic medicines account for 80 percent of prescriptions and continue to add enormous value to society in perpetuity;

WHEREAS, no other part of the healthcare sector offers patients the same reduction in cost over time. Today’s expensive hospital admission is tomorrow’s even more expensive hospital admission;

WHEREAS, biopharmaceuticals are responsible in reducing overall healthcare costs;

WHEREAS, a small percentage of chronically sick patients require higher cost biopharmaceuticals for possible cures or for the management of serious illnesses such as cancer;

WHEREAS, such patients end up paying a greater percentage of the cost of their medicines than for a visit to an emergency room or a hospitalization;

WHEREAS, policy makers are asked to address the high cost of healthcare, insurance premiums and biopharmaceuticals for both society and patients;

WHEREAS, cost-containment policies may impede future biopharmaceutical innovation and its continued enhancements to quality of life and longevity; and

WHEREAS, inefficiencies across the healthcare system account for \$910 billion (34 percent) of healthcare spending.

THEREFORE BE IT RESOLVED, the National Black Caucus Of State Legislators (NBCSL) believes the focus should be on maximizing efficiencies and access in all parts of the health care systems, not just on biopharmaceuticals;

BE IT FURTHER RESOLVED, states should work to decrease impediments to biopharmaceutical innovation;

BE IT FURTHER RESOLVED, that NBCSL supports policy makers evaluating the societal benefit

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biopharmaceutical have provided and will provide in future years including improvements in patient life expectancy, quality of life and satisfaction.

BE IT FURTHER RESOLVED, NBCSL supports increased access to biopharmaceutical innovations for low-income and communities of color; and

BE IT FINALLY RESOLVED, that a copy of this resolution be transmitted to the President of the United States, Vice President of the United States, members of the United States House of Representatives and the United States Senate, and other federal and state government officials as appropriate.

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SPONSOR: Senator Donne E. Trotter (IL)

Committee of Jurisdiction: Health and Human Services Policy Committee

Certified by Committee Co-Chair: Representative Mia Jones (FL)

Ratified in Plenary Session: Ratification Date is December 3, 2016

Ratification is certified by: Senator Catherine Pugh (MD), President