AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS



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LEGISLATIVE ALERT!

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September 28, 2006

Honorable Henry A. Waxman U.S. House of Representatives Washington, D.C. 20515

Dear Representative Waxman:

I am writing to offer our support for the "Access to Life-Saving Drugs Act," which will provide statutory authority for the Food and Drug Administration (FDA) to approve generic versions of biopharmaceuticals (also known as biotech drugs). Allowing for generic biotech drugs will increase competition in the biopharmaceuticals market, lower costs and increase access to life-saving drugs.

Biotech drugs, which are produced from living cell cultures rather than synthesized chemically, hold enormous promise for treating illness and disease, but can be prohibitively expensive. For example, Avastin is used to treat colon cancer and, with recent approval, breast cancer, but it costs \$100,000 per year. Cerezyme, a drug used to treat a genetic condition, is priced at an average of \$170,000 per year. In the absence of FDA authority to approve generic versions, these and other biotech drugs will essentially retain their patents permanently, pricing the drugs beyond reach for many patients and exploding costs for health plans and taxpayer-financed programs that provide coverage for them.

Generic drugs currently available have produced substantial savings for patients and payers – over \$10 billion per year. Given the significant cost of most biotech drugs, we can expect even more savings with the introduction of generic biotech drugs – without compromising patient care. These savings – for Medicare, Medicaid, private health insurance and patients – will help make coverage more affordable for all Americans.

Thank you for your leadership on this issue. The AFL-CIO is pleased to endorse your legislation and pledges to work with you to enact this critically needed measure.

Sincerely

illiam Samuel, Director

DEPARTMENT OF LEGISLATION