

April 17, 2023

The Honorable Chuck Schumer Majority Leader United States Senate 322 Hart Senate Office Building Washington, DC 20510 The Honorable Mitch McConnell Minority Leader United States Senate 317 Russell Senate Office Building Washington, DC 20510

Dear Leaders Schumer and McConnell:

We write to express our concerns regarding the serous unintended consequences related to enacting insulin out-of-pocket caps for commercial health insurance plans and affirm our opposition to legislation such as the *Affordable Insulin Now Act* (S. 954), which would establish a copay cap for insulin at \$35 per month for private health plans. The Partnership for Employer-Sponsored Coverage (P4ESC) urges your opposition to this legislation.

As we have stated in several previous letters (February 8, 2023, June 29, 2022 and July 11, 2022), the high cost of insulin for both insured and uninsured individuals is greatly concerning to us. However, imposing a copay cap for plan participants without addressing the underlying cost of insulin itself will create higher insurance premiums for employees. Additionally, capping out-of-pocket insulin costs in the commercial market would establish a dangerous precedent for other conditions and therapies.

Moreover, several insulin manufacturers have recently announced significant price reductions. For example, on March 1, 2023, Eli Lilly <u>announced</u> price reductions of 70% for its most commonly prescribed insulins and an expansion of its Insulin Value Program that caps patient out-of-pocket costs at \$35 or less per month. Novo Nordisk and Sanofi also have announced price cuts. It is premature and unnecessary for Congress to enact an insulin cap certain to have unintended consequences.

As you consider the policy underpinning this legislation, we encourage the committees of jurisdiction to specifically account for the potential added cost to employees and employer plans in all market segments. Please contact P4ESC's Executive Director Neil Trautwein at neil@trautweinstrategies.com for a meeting with P4ESC members.

Sincerely,

Partnership for Employer-Sponsored Coverage

cc: Members, U.S. Senate