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Madam Chair and Members of the Committee:

My name is Robert Haider, I'm the legislative director at TakeAction Minnesota. We are a statewide, multiracial people's organization with over 15 years of experience working on state healthcare issues from Medicaid expansion to prescription drug costs. I'm here to support Senate File 168 and to share context about why this bill is critical.

First, federal action on prescription drug costs is few and far between.

- Medicare Part D was established almost 20 years ago.
- And drug cost provisions in the Inflation Reduction Act only recently passed and will only lower the cost of some medicines for some Medicare patients at some point in the next five years.

When it comes to key healthcare policy, states have always done the heavy lifting on the policy development that makes federal action feasible.

Child-only healthcare coverage, expansion of affordable healthcare, and more recently, pharmacy anti-gag rules and drug price transparency leadership all came from the states and inspired the federal government.

We have all paid the price of decades of inaction on drug costs, which is why S.F. 168 is so important. A PDAB will lower prescription drug costs for patients, payers, and providers. Minnesota is well positioned to establish an effective PDAB and learn from states that are in the process of implementing Boards, despite industry efforts to stall.

Lastly, we support S.F. 168 because our government has a responsibility to address the out-ofcontrol prices of taxpayer-funded drugs. <u>Nearly every medicine on the market today comes from</u> <u>decades of publicly funded research</u>.

Our tax dollars fund everything from the research and development of treatments for rare diseases to COVID vaccines, which received over <u>\$18 billion in publicly funded R&D and manufacturing</u>. Even with the degree to which we the taxpayers support R&D, we're still forced to pay high prices of prescription drugs in our public healthcare programs and at the pharmacy. At the same time, CEOs are legally permitted to price-gouge life-saving medicine while spending tens of millions of dollars on lobbying, advertising, and stock buybacks.

Minnesotans deserve a better deal. Prescription drugs do not work if people cannot afford them. Thank you.