



Dear New Jersey Congressional Delegation:

On behalf of New Jersey's life sciences community, congratulations and welcome to the 220th session of the New Jersey State Legislature.

BioNJ is New Jersey's life sciences trade association, representing nearly 400 members of our life sciences ecosystems, from the largest multinational biopharmaceutical manufacturers to emerging and start-up companies, service providers, academic institutions and the Patients they serve.

New Jersey's life sciences ecosystem has consistently been a global leader in innovation in biopharmaceutical research, discovery, development and manufacturing. The State's life sciences sector is comprised of nearly 3,300 life sciences establishments with more than 1,000 drugs in development. A substantial percentage of all FDA new drug proposals continue to come from biopharmaceutical firms with a significant New Jersey presence. New Jersey's life sciences community has nearly 430,000 direct, indirect and induced employees in the State.

At no time has the innovation of this sector been more important than during the COVID-19 pandemic. Dozens of companies with a New Jersey footprint have led the way in research, developing and manufacturing the COVID-19 treatments and vaccines that have kept us as safe as possible. It's this same drug development system that has resulted in groundbreaking and lifesaving therapies and cures for Patients with unmet medical needs. Our life sciences sector is a critical component to New Jersey's economy that brings new therapies and cures to the Patients who need them when they need them most. Because Patients Can't Wait®.

As the next session of the Legislature begins, it is critical that we focus on measures that will enhance Patient access as well as support future medical innovation.

Reduce Barriers to Patient Access: Pass Legislation to Address Step Therapy

Health plans continue to utilize tools such as step therapy that can result in slowed Patient access to treatments when they're needed most. Step therapy – also known as “fail first” – is a utilization management tool that requires Patients to try and fail with one or more treatment before gaining access to the treatment prescribed by the Patient's health practitioner.

Step therapy in many instances results in delaying Patient access to necessary and lifesaving therapies. In fact, studies show that more than 50 percent of Patients are required to try two or more treatments before receiving authorization to get the treatment originally prescribed by their physician. While step therapy may be appropriate for certain Patients, Patients with cancer, HIV, mental illness, epilepsy and many other disease states simply cannot wait for the right therapy.

Unfortunately, Patients continue to wait to access their prescribed treatment as step therapy persists in New Jersey. We believe the Legislature should pass legislation similar to last session's A-4815/S-3051 that passed the Assembly by a 65-1 vote. This legislation will immediately improve Patient access to the therapies they need when they need them most.

Ensure Patient Access and Future Innovation: Oppose Prescription Drug Affordability Boards

New Jersey's biopharmaceutical sector supports legislative measures that enhance Patient access to necessary treatments. However, a Prescription Drug Affordability Board (PDAB) proposal would not only have little impact on Patient out-of-pocket costs but serve to harm our State's vibrant innovation economy.

First and foremost, we share the goal of those supporting PDAB proposals: to lower Patient out-of-pocket costs. Unfortunately, PDAB proposals do not guarantee savings for New Jerseyans facing high out-of-pocket costs as a result of a complicated supply chain comprised of PBMs, health plans and other middlemen. Instead, PDAB proposals provide for government price controls in the form of upper payment limits that stagnate investment, reduce innovation and threaten Patient access.

Rather than an approach that focuses squarely on the innovators in the health care ecosystem, let's focus on policies and legislation that will enhance the ability of Patients to access critical prescription treatments, such as recent state legislative proposals to provide for plans with strong out-of-pocket thresholds or the proposed federal Part D out-of-pocket caps and lower premiums that would provide immediate savings to millions of Medicare beneficiaries across the country. We need a holistic and systemwide approach to truly address Patient out-of-pocket costs.

BioNJ has released a whitepaper to help educate policymakers on the dangers of PDAB proposals. [Click here](#) to read the whitepaper.

Protect Innovation

New Jersey is the "State of Innovation." We are proud to have worked closely with our legislators in supporting pro-innovation initiatives in recent years, from the State's enhanced Angel Investor Tax Credit to new and targeted incentive programs and the reactivation of the State's Commission on Science, Innovation and Technology. But this tradition of innovation could easily be disrupted. We must continuously advocate for policies and legislation that does not disrupt our long tradition of innovation in our State.

BioNJ believes the Patients we serve should have access to the treatments they need at the time they are needed. We believe in the value of medical innovation in lowering health care costs while improving quality of life for the Patients we serve. BioNJ remains concerned with policy proposals that could have the practical impact of limiting the ability of our Patients to access desperately needed treatments. Proposals such as "value" assessments that rely on cost consideration – rather than the overall value to the Patient and the health care system – to assess coverage of a particular treatment or restricted Medicaid formularies should be rejected. We should instead pursue policies that protect the medical innovation that is helping people lead longer, healthier lives.

BioNJ stands ready to work collaboratively with our elected leaders to develop policy proposals that will deliver meaningful savings to Patients struggling with out-of-pocket costs and foster the next generation of biomedical innovation. Thank you for your consideration. We look forward to working with you on these important issues in 2022 and beyond. Please do not hesitate to contact me at DHart@BioNJ.org should you have any questions or need additional information.

Sincerely,



Debbie Hart
President and CEO