April 3, 2018

The Honorable Susan Collins (R-ME)  
U.S. Senate  
413 Dirksen Senate Building  
Washington, D.C. 20510

The Honorable Claire McCaskill (D-MO)  
U.S. Senate  
503 Hart Senate Building  
Washington, D.C. 20510

Dear Senators Collins and McCaskill:

The American Academy of Dermatology Association (Academy), which represents more than 13,800 members, is pleased to offer its support for S. 2554, the “Patient Right to Know Drug Prices Act.” This bill is intended to lift the “gag clause” imposed on pharmacists by health insurance providers and pharmacy benefit managers (PBMs) that restricts them from informing patients that a certain drug is cheaper if paid for out-of-pocket, rather than going through their insurance. The Academy appreciates that S. 2554 would prohibit this restriction for drugs covered under the individual market exchange plans, as well as group health plans covered by the Employee Retirement Income Security Act (ERISA).

Dermatologists are committed to providing the most effective and cost-efficient care and therapies to their patients, including those suffering from chronic, disabling conditions that interfere with activities of daily life, and have a substantial impact on their mental health and personal well-being. Dermatology drugs have been disproportionately impacted by rising drug prices. When drugs become cost-prohibitive for patients, they often go without. A recent study\(^1\) published in the Journal of the American Medical Association (JAMA) found that of 9.5 million insurance claims reviewed, 23% of prescriptions filled through insurance cost more than if the patient had paid for the drug out-of-pocket. The list of prescriptions includes prednisone, a drug used to treat many dermatologic conditions, including severe eczema, contact dermatitis, and autoimmune diseases, which was among the drug claims where patients on average made overpayments about 50 percent of the time.

The Academy has made patient access to affordable treatments and transparency in drug pricing a top priority. While S. 2554 is a targeted effort to address drug-pricing transparency across the drug supply chain, we appreciate your continued leadership in championing patient access issues. Please feel free to contact Christine O’Connor, the Academy’s Associate Director, Congressional Policy at coconnor@aad.org or (202) 609-6330 if you have any questions or if we can provide additional information.

Sincerely,

Suzanne Olbricht, MD, FAAD  
President

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American Academy of Dermatology Association