



March 16, 2021

The Honorable Chairwoman Judy Lee
North Dakota Senate Human Services Committee
North Dakota State Capitol
Bismarck, ND

Dear Chairwoman Lee members of the Senate Human Services Committee,

The Biotechnology Innovation Organization (BIO) opposes HB 1032.

BIO is the world's largest trade association representing over 1,000 biotechnology companies, academic institutions, state biotechnology centers, and related organizations across the United States and in more than 30 other nations. BIO members are involved in the research and development of innovative healthcare, agricultural, industrial, and environmental biotechnology products.

BIO is opposed to HB 1032, as we believe that any prescription drug pricing transparency provisions should focus on what matters most for patients: their out-of-pocket costs. That includes ensuring patients know what their cost-sharing obligations are, how health plans and pharmaceutical benefit managers (PBMs) Director, State Government Affairs are using manufacturer rebates, and what prescription drugs are available on any formulary. This type of information can assist to determine which health plan most appropriately meets that patient's medical needs

Further, this legislation could harm the fragile ecosystem that provides for small, innovative companies to exist. Many of these companies have no existing pipeline in which to fund research and development, but instead rely on venture capital and angel investors. Biopharmaceutical discovery and development is already the riskiest of endeavors, and this legislation could have the unintended consequence of driving these vital funding sources to other industries due to the required release of propriety or confidential information.

Finally, the legislation does not take into consideration the savings to the health care system provided by the effective use of biopharmaceuticals.

BIO believes that transparency in healthcare spending is vitally important. But we also believe transparency provisions should focus on what matters most for patients, their out-of-pocket costs.

Sincerely,

/s/

Greg Hoke