



March 31, 2019

The Honorable Jim Wood  
California State Capitol Room 6005  
P.O. Box 942849  
Sacramento, CA 94249-0002

**Re: AB 824 (Wood) Business: preserving access to affordable drugs – SUPPORT**

Dear Assemblymember Wood,

I am writing to you on behalf of the California Alliance for Retired Americans (CARA) to support AB 824 (Wood), a bill that would ban prescription drug “pay-for-delay” patent agreements in certain cases. CARA is California’s largest grassroots senior advocacy organization representing one million seniors and their families through our 270+ affiliated organizations.

One of our organization’s top priorities is the affordability of prescription drugs. According to the Georgetown Health Policy Institute, prescription drug expenditures are highest for people age 65 and older. The institute found that drug expenditures are particularly high for the oldest adults.

Pay-for-delay patent agreements stifle competition from lower-cost drug-makers, raising the costs of many drugs. According to a US Federal Trade Commission study, these anticompetitive deals cost consumers and taxpayers \$3.5 billion in higher drug costs every year. Not only that, but by making drugs more expensive, these agreements make essential medicines harder to obtain, endangering the health of all, but particularly seniors.

For these reasons, CARA strongly supports AB 824 and thanks you for introducing this important legislation. Our members and organization look forward to working with you on its passage. If you have any questions, please feel free to contact me at 415-533-5244.

Sincerely,

A handwritten signature in cursive script that reads "Hene Kelly".

Hene Kelly  
Legislative Director  
415-533-5244