



September 15, 2021

Dear Members of the Ohio Delegation:

On behalf of BioOhio, the Board of Trustees, and our nearly 300 members that employ over 100,000 Ohioans in the bioscience industry, I want to thank you for your continued support of Ohio's bioscience industry. I am the new President & CEO of BioOhio and have spent nearly two decades working in business and economic development, most recently serving as the Economic Development Director for The Ohio State University. In my new role at BioOhio, I am looking forward to working with you to advance the bioscience sector throughout the state. Today, I am writing to share our concerns with H.R. 3, the Elijah E. Cummings Lower Drug Costs Now Act, which will harm Ohio's bioscience industry and ultimately patients in Ohio and across the country.

As you know, BioOhio is the only statewide organization representing the bioscience industry, from Ohio's largest employers to emerging start-ups, schools and universities, research institutions, students, and individuals. Our top priority is bringing medical innovations to patients to save and improve lives while creating jobs and growing business in Ohio. We have succeeded in this effort through strong communication and collaboration with the Ohio Congressional Delegation. We hope that the delegation will unify in opposing H.R. 3 for the following reasons.

H.R. 3 Will Stifle Innovation for Rare Diseases and Cancer

It is estimated that H.R. 3 could cut revenues by more than half for companies with medicines affected by the policy, leading to a nearly 90% reduction in new medications developed by small U.S. biotech companies. Given that H.R. 3 targets high-cost drugs, new treatments for rare diseases and cancer would be disproportionately impacted. While it aims to reduce high-cost medicines, it does not distinguish between the value or cost-effectiveness of different drugs. For example, some high-cost drugs have considerable value and cost-effectiveness, especially in treating diseases with limited or no alternative treatments available. Among the 70,000 Ohioans diagnosed with cancer, 25,000 of them die each year, and among those patients who survive, H.R. 3 will negatively impact their treatment options. Ohio has recently invested millions of dollars into innovation districts in Cincinnati, Cleveland, and Columbus, but this innovation cannot happen without the financial and technical resources investing in research and development. Just as our state is becoming a national leader in cutting-edge innovation that helps to attract and grow businesses and talent from other states, we cannot allow H.R. 3 to hurt this effort.

H.R. 3 Will Upend the Investment Cycle

Emerging bioscience companies are the future of the industry. In Ohio, there are dozens of new bioscience start-ups and growing companies hitting major milestones each year. We want to nurture this growth, understanding how expensive it is to bring innovative therapies to a patient's bedside. Companies need up to \$1 billion to successfully shepherd a new drug through clinical trials and ultimately receive approval from the Food and Drug Administration. These emerging companies depend on investment from larger companies and venture capitalists to see their new drugs through the lengthy approval process to reach the patients who need them. Investors are less likely to take chances with fewer resources available. High-risk, high-reward therapies in oncology and rare diseases, needed by so many, would be starved of this support should H.R. 3 become law.

H.R. 3 Will Devastate Ohio's Bioscience Industry

There are 88 FDA-certified companies manufacturing pharmaceuticals in Ohio. The state's bio-ecosystem stands to potentially lose significant revenue as a result of H.R. 3. Revenue loss will lead to Ohio job and talent loss and reduced investment in research and development and partnerships with our state's world-renowned medical centers and academic universities. Ohio companies are doing outstanding work driving scientific innovations, while fueling our local economy. A few examples include:

- **Abeona Therapeutics (Cleveland)** is a fully integrated gene and cell therapy company at the forefront of the rapidly advancing field of genetic medicine. The company's multi-platform expertise across the research, development, manufacture, and discovery of novel gene and cell therapies makes it uniquely positioned to bring new medicines to patients in need.
- **Airway Therapeutics (Cincinnati)** is developing a new class of biologics to break the cycle of injury and inflammation from respiratory and inflammatory diseases, beginning with the most vulnerable populations. AT-100 is Airway's first candidate in development to prevent respiratory disease BPD in very preterm infants and treat COVID-19 in seriously ill, mechanically ventilated patients.
- **Sarepta Therapeutics (Columbus)** is a biopharmaceutical company focused on discovering and developing precision genetic medicines to treat rare neuromuscular diseases, pioneering the first-ever genetic-based therapies for Duchenne muscular dystrophy (DMD) and limb-girdle muscular dystrophies (LGMDs). Sarepta's Genetic Therapies Center of Excellence in Columbus is dedicated to advancing an industry-leading pipeline of more than 40 programs in various stages of development.
- **AmplifyBio (West Jefferson)** is accelerating the development of next-generation therapies by creating and optimizing new platforms and technologies and working to solve the challenges of scaling complex therapies to help as many people as possible. Cell and gene therapy has the potential to deliver cures and life-changing treatments for dozens of diseases that today have no effective options.

These are just a few examples of Ohio companies working to improve and save lives by advancing cures and treatments for diseases with high burden and that continue to have significant unmet needs. Legislation like H.R. 3 will stifle their research, hard work, investments, and growth.

We appreciate your consideration and respectfully ask you to oppose the inclusion of H.R. 3 in any vehicle/legislation for our bioscience industry and, most importantly, the patients who will be deeply impacted by these changes. If you have any questions or would like any further information, please do not hesitate to reach out to me.

Sincerely,



Edward Pauline
President & CEO
BioOhio