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PILMA Applauds Reintroduction of the Ensuring Pathways to Innovative Cures (EPIC) Act

Bipartisan legislation would correct the "pill penalty" to safeguard union jobs and ensure continued innovation in small-molecule therapies

The Pharmaceutical Industry Labor-Management Association (PILMA) applauds the introduction of the *Ensuring Pathways to Innovative Cures* (EPIC) Act (H.R. 1492), a bipartisan proposal that will help preserve America's leadership in biomedical innovation, protect countless union jobs, and ensure patients have access to a broad range of lifesaving medicines.

"We commend Representatives Greg Murphy, Don Davis, and Richard Hudson for their leadership in championing this vital legislation," said Mark McManus, PILMA's Chairman and President of the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry. "The EPIC Act makes an important fix to the Inflation Reduction Act's so-called 'pill penalty,' which threatens future medical breakthroughs by discouraging investment in certain types of drugs. We are proud to stand behind lawmakers who recognize that preserving America's status as a global leader in biopharmaceutical research also means protecting the thousands of union jobs that sustain this industry."

For more than twenty years, PILMA has been a leading advocate for policies that strengthen the American life sciences sector, which supports thousands of union workers involved in constructing, maintaining, and manufacturing facilities across the country. While the Inflation Reduction Act (IRA) made historic investments in America's infrastructure and expanded critical healthcare benefits, it also included a concerning provision known as the "pill penalty." This provision reduces incentives for research and development of small-molecule drugs—medications that often come in pill form and account for over two-thirds of all new drugs approved by the FDA.

If left uncorrected, this unintended consequence of the IRA threatens future breakthroughs for conditions ranging from heart disease to cancer. It also puts at risk the livelihoods of the skilled laborers who build and maintain the facilities that bring these medicines to market. A recently published study found that industry investment in small-molecule drugs has declined by 70% since September 2021. Other estimates suggest that as many as 188 fewer of these treatments could be developed over the next decade due to companies scaling back investment in researching new drugs or new uses for existing drugs.

The EPIC Act presents a clear fix by aligning the timelines for Medicare's prescription drug price negotiation program across both small molecules and biologics, thereby restoring incentives for new small-molecule research and strengthening the very projects that fuel high-skilled, union employment. We urge lawmakers from both parties to embrace this commonsense solution. American workers, patients, and communities all benefit when Congress fosters an environment that promotes biomedical innovation and safeguards the middle-class jobs tied to these life-changing advancements. PILMA stands ready to work with leaders across the political spectrum to ensure the swift passage of the EPIC Act.

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