

Congress of the United States
Washington, DC 20515

February 22, 2023

The Honorable Xavier Becerra
Secretary
Department of Health and Human Services
200 Independence Avenue, SW
Washington, D.C. 20201

The Honorable Chiquita Brooks-LaSure
Administrator
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, MD 21244

Dear Secretary Becerra and Administrator Brooks-LaSure:

As the past two years have shown, reckless government spending inflicts harsh and immediate consequences on working families, with effects ranging from rampant inflation to the misuse of taxpayer dollars. Americans deserve fiscally responsible and accountable leadership, not bureaucratic bloat. Unfortunately, the so-called Inflation Reduction Act (IRA, Pub. L. 117-169) enacted last year has doubled down on the recent trend of federal expansion and excessive expenditures.

The partisan law, for instance, directs a baffling \$3 billion to the implementation of misguided price controls that pose serious risks for current and future patients, as well as for our international leadership in medical innovation. We write to request information and regular updates on how the Biden Administration plans to allocate, apply, and monitor this staggering sum moving forward. By sidestepping regular order and bypassing the standard appropriations process, proponents of the IRA set aside billions in taxpayer dollars with no reporting requirements or tools to prevent waste, fraud, and abuse.

Particularly given the prevalence of improper payments within the Medicare program, the absence of safeguards or oversight regarding this new \$3 billion fund raises major concerns. Moreover, a number of experts and analysts have questioned the need for such inordinate administrative spending, given the lack of any apparent rational basis for the funding level. Congress has an obligation to ensure accountability with respect to taxpayer dollars. With that core responsibility in mind, we request responses to the following questions by no later than the close of business on March 24, 2023.

1. Will you commit to providing a comprehensive briefing on how the Biden administration plans to allocate and expend the price-setting program's implementation funding, as well as how much of the funding the administration has already committed, and for what specific purposes?
2. Will you commit to providing recurring briefings of the nature described above, no less than quarterly, moving forward?

3. Will you commit to providing thorough status updates in writing, no less than quarterly, on the administration's plans for apportioning the aforementioned implementation funds, including with respect to relevant information on contracting relationships and entities?
4. Will you commit to providing information on projected and actual unused funds with respect to the \$3 billion implementation fund, such that Congress can, as appropriate, adjust the IRA's statutory spending level?
5. What specific measures does the administration plan to undertake in order to prevent waste, fraud, and abuse with respect to the implementation fund?

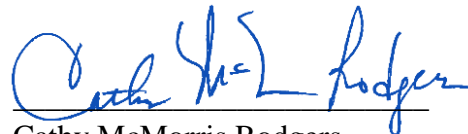
We have long championed commonsense proposals to increase prescription drug access and affordability, and we welcome opportunities to work across the aisle to advance meaningful solutions that deliver real results for patients at the pharmacy counter, the doctor's office, and the hospital. The IRA's price controls, however, pose grave threats to patients, including by chilling life-saving research and development targeting conditions like cancer and Alzheimer's disease, among countless others. The immense \$3 billion in taxpayer funding at issue here reflects just one of the many profound problems inherent in the partisan law and its government price-setting program. We will continue to press for transparency and accountability as the initiative goes into effect.

If you have questions about this request, please contact Conor Sheehey of the Senate Finance Committee staff, Alec Aramanda of the House Energy and Commerce Committee, and Patrick Dumas of the House Ways and Means Committee. We look forward to reviewing your responses to these and other questions moving forward.

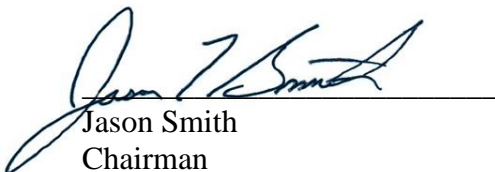
Sincerely,



Mike Crapo
Ranking Member
Committee on Finance



Cathy McMorris Rodgers
Chair
House Committee on Energy and Commerce



Jason Smith
Chairman
House Committee on Ways and Means