

June 3, 2022

The Honorable Patty Murray Chairwoman Committee on Health, Education, Labor & Pensions United States Senate Washington, D.C. 20510 The Honorable Richard Burr Ranking Member Committee on Health, Education, Labor & Pensions United States Senate Washington, D.C. 20510

Dear Chairwoman Murray and Ranking Member Burr,

The 85 undersigned organizations representing patients with rare disorders urge you to incorporate S. 4185, the Retaining Access and Restoring Exclusivity (RARE) Act, as introduced by Senator Tammy Baldwin and Senator Bill Cassidy, into the FDA Safety and Landmark Advancements Act (FDASLA). The RARE Act would clarify the original intent of the Orphan Drug Act (ODA) and codify the Food and Drug Administration's (FDA) long-standing interpretation of that landmark law. Our organizations are deeply concerned that a decision from a recent court case, if not corrected by the enactment of the RARE Act, could hinder continued progress in rare disease drug development. The implications of this case could leave some rare disease patients, including children or those with less common variations of a rare disease, without access to an FDA approved treatment that has been proven to be safe and effective for their specific circumstances and/or condition.

The ODA provides a set of incentives to support research and development into drugs for rare diseases. One of the key incentives is a seven-year term of "exclusivity" for the orphan drug once approved and marketed. The ODA established a two-part process for obtaining orphan drug exclusivity. First, at an early stage in development, a company can request that FDA "designate" the drug as an orphan drug to prevent, diagnose or treat a rare disease or condition. Once a company receives this designation from the FDA, the company can access other ODA incentives, including tax credits for research and clinical testing of the drug. Second, after completing the necessary clinical studies and obtaining FDA approval, the drug is then awarded exclusivity that protects from competition the specific use of the drug that is approved.

In most cases, the orphan designation is intentionally broader than the use ultimately approved. For instance, a drug might be designated for the treatment of Fabry's disease, a rare lysosomal storage disorder. After conducting studies in the disease, the sponsor may have only obtained data sufficient to support approval for a narrower population than the entire patient population with Fabry's disease, such as only adults with the disease. Similarly, many orphan drugs being developed for cystic fibrosis (CF) receive orphan designation for the disease broadly, but, after years of continued drug development, may ultimately be approved for use in specific subpopulations of CF patients, such as those with specific mutations.

However, the recent 11th Circuit decision in the case of *Catalyst Pharms., Inc. v. Becerra*, if left unaddressed by Congress, would overturn FDA's decades-long interpretation of the ODA that the exclusivity protects the "use or indication" ultimately approved. The Court instead held that the rare disease designated at the outset of the drug development process dictates the scope of the orphan drug exclusivity. This decision threatens to undermine 40 years of practice and would incentivize sponsors to seek broader designations for an entire rare disease at the outset, leaving little incentive to continue to study the safety and efficacy of that drug in special populations, like children. More than half of people with rare diseases are children, so the implications of this Court ruling have the potential to be significant.

The RARE Act would maintain the original intent of the ODA, making clear that orphan drug exclusivity is tied to the approved indication, while ensuring proper incentives remain in place to foster robust rare disease drug development. Clarifying the scope of orphan drug exclusivity is critical since rare diseases remain an area with significant unmet needs. Over 90% of the estimated 7,000 known rare diseases still do not have an FDA-approved treatment indicated for the specific rare disease. If the RARE Act is not enacted, there is likely to be fewer orphan drugs approved for special patient populations, an outcome that runs counter to the goal of the ODA and is not in the best interest of the rare disease community.

We urge the HELP Committee to modify FDASLA to include the RARE Act and preserve the intent of this critical ODA incentive that has benefited millions of Americans and their families facing rare disease diagnoses. For more information, please contact Heidi Ross, Vice President of Policy and Regulatory Affairs for the National Organization for Rare Disorders, at <u>HRoss@rarediseases.org</u>.

Thank you for your consideration,

National Organization for Rare Disorders Alpha-1 Foundation Alport Syndrome Foundation ALS Association Alternating Hemiplegia of Childhood Foundation American Academy of Pediatrics American Behcet's Disease Association (ABDA) American Cancer Society Cancer Action Network APS Foundation of America, Inc Avery's Hope CAD Foundation Canavan Research Foundation Cancer*Care* CDH International Children's Cancer Cause Children's PKU Network/ NPKUA Cholangiocarcinoma Foundation Choroideremia Research Foundation Congenital Hyperinsulinism International CRMO Foundation Cure CMD CURED Nfp (Campaign Urging Research for **Eosinophilic Diseases**) Cutaneous Lymphoma Foundation Cyclic Vomiting Syndrome Association Cystic Fibrosis Foundation Cystic Fibrosis Research Institute (CFRI) Dup15q Alliance **Epilepsy Foundation** FACES: The National Craniofacial Association FOD FAMILY SUPPORT GROUP Foundation for Prader-Willi Research Foundation For Sarcoidosis Research (FSR) FOXG1 Research Foundation Gaucher Community Alliance Gorlin Syndrome Alliance **GRIN2B** Foundation HCU Network America Hydrocephalus Association HypoPARAthyroidism Association **Immune Deficiency Foundation** International Foundation for Gastrointestinal Disorders (IFFGD) International Pemphigus Pemphigoid Foundation Jamal's Helping Hands, Inc. Juju and Friends CLN2 Warrior Foundation Mississippi Metabolics Foundation MLD Foundation Muscular Dystrophy Association National Association for Continence National Ataxia Foundation National Eosinophilia Myalgia Syndrome Network National Health Council National MALS Foundation

National Niemann-Pick Disease Foundation NBIA Disorders Association NephCure Kidney International Neuromuscular Disease Foundation Organic Acidemia Association PFIC Network Phelan-McDermid Syndrome Foundation PRISMS Pulmonary Fibrosis Foundation Pulmonary Hypertension Association Rare Army Rare Kids Network Recurrent Respiratory Papillomatosis Foundation Shwachman-Diamond Syndrome Foundation Siegel Rare Neuroimmune Association Spina Bifida Association STXBP1 Foundation Team Telomere, Inc. The Association for Frontotemporal Degeneration The Bonnell Foundation: Living with Cystic Fibrosis The Global Foundation for Peroxisomal Disorders The Hermansky-Pudlak Syndrome Network The Leukemia & Lymphoma Society The Life Raft Group The RYR-1 Foundation The Snow Foundation for Wolfram Syndrome Research **TSC** Alliance Turner Syndrome Society of the United States United Porphyrias Association Vasculitis Foundation VHL Alliance

CC: Members of the Senate Committee on Health, Education, Labor & Pensions