JUNE 2025

BIOSIMILARS: EXPANDING DRUG AVAILABILITY AND CUTTING COSTS

Biosimilars offer the potential to substantially reduce the cost of prescription drugs and expand access to life-saving therapies. As FDA-approved medications, biosimilars offer safe and effective alternatives to expensive "reference" biologics—expanding treatment options and driving prices down. **In 2023 alone, biosimilars generated over $12.4 billion in savings.**[1]

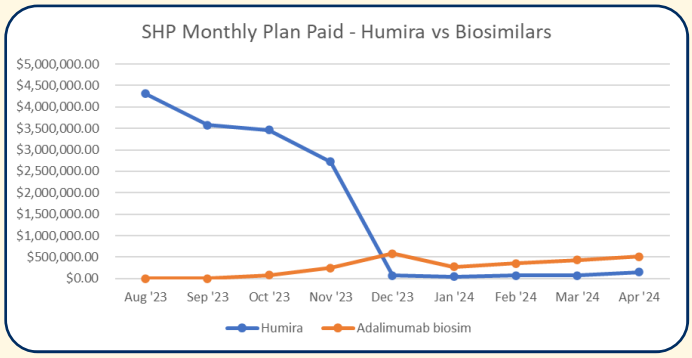
Despite their promise, biosimilar uptake has been underwhelming—hindered by outdated regulations, skewed incentives and PBM practices that intentionally slow their adoption. It's time patients and taxpayers benefit from the increased access and savings that biosimilars can deliver.

Increasing access to biosimilars begins with redefining interchangeability requirements. Currently, biosimilars must complete additional burdensome trials after already achieving FDA approval, despite being proven just as safe and effective as their reference biologics. This slows biosimilars speed to market and unnecessarily increases costs. Additionally, providers need education on the availability and use of biosimilars. When equipped with actionable information, biosimilar prescribing increases and patients get more value for their prescription drug dollars.

ACHP urges policymakers to:

1. **Swiftly pass the Biosimilar Red Tape Elimination Act, S. 1954** to remove the interchangeability designation and deem all approved biosimilars as interchangeable with their reference biologics.
2. **Launch a model within CMMI to boost biosimilar usage in Medicare** through best practices for educating patients and clinicians on biosimilars.

To drive savings from biosimilars, ACHP member companies educate patients and clinicians about new biosimilar therapies. In 2024, Sanford Health Plan saved $2.9 million a month by transitioning 97 percent of patients from the costly biologic therapy Humira to its biosimilar, passing the savings directly to patients.



Since their entry to market in 2015, biosimilars have generated $36 billion in savings for patients and the U.S. health care system. Projected savings from increased biosimilar adoption could reach up to $181 billion over the next five years (2025–2030).[2] Action is urgently needed so patients realize the full value of biosimilars.

1. Association for Accessible Medicines. (2024, September 5). 2024 U.S. Generic & Biosimilar Medicines Savings Report. https://achp.pub/AAM_Report

2. IQVIA Institute for Human Data Science. "Biosimilars in the United States 2023–2027: Competition, Savings and Sustainability." January 31, 2023.

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