

Building a More Just, Equitable Health Care System

PhRMA strongly [believes](#) that applying the principles of diversity, equity and inclusion can enhance the development of medicines and vaccines for people of all ethnic and racial backgrounds. That means taking a more active role through our own actions as an industry, and as individual companies, as well as supporting public policies that address health disparities and working across the broader health care system to create a more equitable U.S. health care system for everyone.

Improving Diversity in Clinical Trials

The industry takes seriously its responsibility to lead and make progress in conducting clinical trials, where historic gaps in populations represented in developing new medicines persist. In 2021, the industry released its first-ever [industry-wide principles](#) on clinical trial diversity that seek to increase trust within Black and Brown communities and eliminate the systemic barriers to clinical trial participation. By committing to enhancing diversity in clinical trial populations, we can better reflect the patients who will use the new medicine being studied and help reduce health care disparities. Through the principles, the industry seeks to acknowledge past wrongs, reduce barriers to clinical trial access, use real-world data to enhance information on diverse populations beyond product approval and share information about diversity and inclusion in clinical trial participation.

Reduce Insurance Barriers to Ensure Equal Access to Prescribed Medicines

Communities of color are disproportionately affected by rising health care costs and eroding health insurance coverage, both of which play a key role in access to care, including receiving a prescription from a health care provider and filling it at the pharmacy. Underinsurance or high out-of-pocket costs should not be barriers to accessing prescribed medicines known to be effective at preventing or treating serious illness. Too many low-income patients with insurance do not have coverage that prioritizes effective management or prevention of disease. We believe that better access to prescribed medicines is key to achieving equal access to good health.

We need to rethink insurance to reduce cost barriers for patients that can result in unequal access to medicines. This includes ensuring patients, including patients from underserved communities, directly benefit from negotiated savings and discounts on their medicines that pharmaceutical manufacturers provide to insurance plans and middlemen known as pharmacy benefit managers. Insurance should also cover certain medicines for conditions that disproportionately impact underserved communities from the first day that coverage is effective – without subjecting patients to deductibles in the commercial market. Additionally, any manufacturer assistance to cover the cost of medicines for patients should count towards plan deductibles or out-of-pocket maximums. Addressing these problems would represent an important step forward for health equity.



Address Underdiagnosis and Undertreatment in Underserved Communities

Poor health outcomes in underserved communities are often the consequence of long-standing disadvantages that lead to underdiagnosis and undertreatment. Many patients in underserved communities do not have access to the care they need, nor a trusted medical community that will diagnose without bias. Addressing this problem not only requires policy changes described above, but also connecting with and learning from underserved communities. Inequities are often rooted in community-specific factors like where a person lives, works and plays; lack of adequate coverage and access to providers; and systemic racism and discrimination. PhRMA and its member companies have been actively working to build partnerships in underserved communities to improve access to COVID-19 testing, vaccinations and treatments.

Recognizing that the barriers are unique from community to community, PhRMA created the [Collaborative Actions to Research Equity \(CAREs\) grant program](#) to empower community-centered solutions to address disparities in timely and appropriate diagnosis and treatment. To date, PhRMA has awarded over \$300,000 in grants to support community efforts across the country. To address longstanding disadvantages more broadly, PhRMA is working with national partners and other health care stakeholders to advance efforts to study and address the causes of health disparities and advance policies and potential best practices to address social determinants of health. We also believe that more robust efforts are also needed for outreach and education to help patients navigate insurance options and available subsidy programs, and to further advance progress, we support STEM education efforts aimed at training the next generation of diverse health professionals.

Improve Data Collection and Reporting

COVID-19 illuminated critical gaps in health information being collected on race and ethnicity, which have contributed to inequities in the distribution and use of COVID-19 vaccines and therapeutics. Without available and accurate data stratified by race and ethnicity, it is difficult to appropriately define and address the issues driving health inequities. Consequently, we remain unable to understand and address the underlying causes of negative health outcomes for many historically underserved communities.

We believe it is critical to improve and encourage the collection and public reporting of health data — in an ethical manner and consistent with relevant legal requirements — by race, ethnicity and other important socio-demographic factors to more accurately represent diverse populations in the United States. We need to direct our attention to improved data standards in order to establish proper baselines, develop and implement targeted health interventions to the populations that will benefit from them, and monitor progress so that we can overcome health disparities.

Equity is critical to the health and well-being of underserved communities, and it remains essential to a robust ecosystem of innovation. America's biopharmaceutical companies are committed to pushing for necessary systemic and long-term change to better meet the needs of these communities and create a more equitable health care system. Follow our progress at PhRMA.org/equity.

