



*Embassy of the United States of America*  
Seoul, Republic of Korea

September 24, 2018

The Honorable Seung Taik Kim  
President of Health Insurance Review and Assessment Service  
Gangwon, Republic of Korea

Dear Mr. Kim:

I have the honor to confirm the following understanding reached between the Government of the United States of America (United States) and the Government of the Republic of Korea (Korea) during the modification and amendment negotiations held under the auspices of the Joint Committee pursuant to Article 22.2 (Joint Committee) of the *Free Trade Agreement between the United States of America and the Republic of Korea* (Agreement).

Korea confirms that the Health Insurance Review and Assessment Service (HIRA) will prepare and, by October 31, 2018, publish a draft amendment to its *Premium Pricing Policy for Global Innovative New Drugs* (Policy) with the purpose of implementing the amendment no later than December 31, 2018. Korea further confirms that the amendment will make the Policy fully consistent with the Parties' commitments under the Agreement. The HIRA will also provide for meaningful consultation and transparency during the amendment drafting and review process.

I look forward to your response to this letter as soon as possible confirming this understanding.

Sincerely,

A handwritten signature in black ink, appearing to read "Rapson".

Robert Rapson  
Deputy Chief of Mission  
U.S. Embassy Seoul



September 24, 2018

The Honorable Robert Rapson  
Deputy Chief of Mission  
U.S. Embassy Seoul

Dear Mr. Rapson:

I am pleased to acknowledge receipt of your letter of September 24, 2018, which reads as follows:

I have the honor to confirm the following understanding reached between the Government of the United States of America (United States) and the Government of the Republic of Korea (Korea) during the modification and amendment negotiations held under the auspices of the Joint Committee pursuant to Article 22.2 (Joint Committee) of the *Free Trade Agreement between the United States of America and the Republic of Korea* (Agreement).

Korea confirms that the Health Insurance Review and Assessment Service (HIRA) will prepare and, by October 31, 2018, publish a draft amendment to its *Premium Pricing Policy for Global Innovative New Drugs* (Policy) with the purpose of implementing the amendment no later than December 31, 2018. Korea further confirms that the amendment will make the Policy fully consistent with the Parties' commitments under the Agreement. The HIRA will also provide for meaningful consultation and transparency during the amendment drafting and review process.

I look forward to your response to this letter as soon as possible confirming this understanding.

I have the honor to confirm my government shares the understanding expressed in your letter.

Sincerely,

Seung Taik Kim  
President  
Health Insurance Review and Assessment Service