

RUNAWAY

AFFORDABLE PRICES FOR REAL CURES



RunawayRx, a project of the California Association of Health Plans, highlights noteworthy articles and information on the acceleration of prescription drug pricing.

Providers and patient groups are growing increasingly frustrated with the relentless pursuit of sky-high drug prices – particularly for drugs that have been available for several decades. The latest [case](#): a hedge fund bought a drug that treats life-threatening infections and jacked up the price by 5,000 percent overnight. The same story just keeps repeating itself over and over. Over time, the chorus of groups pushing back against these skyrocketing prices has grown to include doctors, hospitals, patient groups, government payers, and health plans. When is enough, enough?

Drug Goes From \$13.50 a Tablet to \$750, Overnight

The New York Times

September 20, 2015

By Andrew Pollack

“Specialists in infectious disease are protesting a gigantic overnight increase in the price of a 62-year-old drug that is the standard of care for treating a life-threatening parasitic infection.

“The drug, called Daraprim, was acquired in August by Turing Pharmaceuticals, a start-up run by a former hedge fund manager. Turing immediately raised the price to \$750 a tablet from \$13.50, bringing the annual cost of treatment for some patients to hundreds of thousands of dollars...

“Turing’s price increase is not an isolated example. While most of the attention on pharmaceutical prices has been on new drugs for diseases like cancer, hepatitis C and high cholesterol, there is also growing concern about huge price increases on older drugs, some of them generic, that have long been mainstays of treatment.”

“The Infectious Diseases Society of America and the HIV Medicine Association sent a joint letter to Turing earlier this month calling the price increase for Daraprim ‘unjustifiable for the medically vulnerable patient population’ and ‘unsustainable for the health care system.’”

Other examples include:

- The price for Cycloserine, a drug used to treat dangerous multidrug-resistant tuberculosis, increased from \$500 for 30 pills to \$10,800 after its acquisition by Rodelis Therapeutics.
- The prices for heart drugs Isuprel and Nitropress increased 525 percent and 212 percent, respectively, Valeant Pharmaceuticals acquired them from Marathon Pharmaceuticals. Marathon had already quintupled the prices of those two same drugs in 2013 after it acquired them from yet another company.
- The antibiotic Doxycycline went from \$20 a bottle in October 2013 to \$1,849 six months later.

Read more: <http://nyti.ms/1Jjf8LR>

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The California Association of Health Plans’ RunawayRx project sheds light on the acceleration of prescription drug pricing and how it impacts health care affordability, encouraging a route toward sustainable pricing. For more information, please visit www.RunawayRx.org or follow us on Twitter at [@Runaway_Rx](https://twitter.com/Runaway_Rx).