



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

As national outrage over prescription drug costs builds, California is seeing how high-priced drugs directly impact the state, taxpayers and employers. Today, CalPERS – one of the largest healthcare purchasers in the country with 1.4 million members and a harbinger for what’s happening across the market – announced a huge uptick in its specialty drug spending.

“We have seen national reports of spikes in drug pricing, and now we see the impact right here in California. A 62 percent increase in specialty drug spending in just two years is not sustainable for public employees – or, really, any health care consumer. It’s time we shine a light on how drug prices are set, so we can find solutions that make prescription drugs more affordable while protecting access for patients.”

– Charles Bacchi, President and CEO
California Association of Health Plans

Specialty drug costs soar 32% to \$438 million at CalPERS amid uproar over prices

Los Angeles Times

December 15, 2015

By Chad Terhune

“One of the nation’s biggest healthcare buyers, the California Public Employees’ Retirement System, said its specialty drug costs soared 32% last year to \$438 million.”

“Despite being less than 1% of all prescriptions, specialty drugs accounted for nearly a quarter of the pension fund’s \$1.8 billion in total drug costs, according to a new report by the agency.

“Hepatitis C drugs such as Sovaldi, which have sparked a growing uproar over drug prices nationwide, drove much of the increase, as did medications for rheumatoid arthritis, cancer and multiple sclerosis...”

“CalPERS spends about \$8 billion annually on medical care for 1.4 million active and retired government employees and their family members. Earlier this year, agency officials cited rising pharmacy costs as one of the primary reasons why insurance rates were increasing so much for 2016.”

Read more: <http://www.latimes.com/business/la-fi-calpers-drug-costs-20151215-story.html>

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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).