

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.

With six-figure price tags on both old and new medications becoming the new normal, and the prices showing little relation to research and development or manufacturing costs – it’s time to peel back the layers on how prescription drugs are priced. As the state legislature reconvenes this month, it will be more important than ever for the Assembly Health Committee to pass AB 463 (Chiu), a bill that would require pharmaceutical companies to disclose basic information to shed light on how prices are set.

Consumer advocates targeting drug gouging in 2016

December 29, 2015

By Victoria Colliver

San Francisco Chronicle

“For the medical world, 2015 was the year of the \$1,000 pill and a headline-grabbing 5,000 percent price hike for a lifesaving drug. Patients and consumer advocates hope 2016 will be the year pharmaceutical companies are forced to show a little restraint.

“Skyrocketing prices are the subject of congressional inquiries, an issue in the presidential race and a trending topic on social media, thanks to the Dec. 17 arrest of Martin Shkreli, whose company increased the price of an antiparasitic drug overnight from \$13.50 to \$750 a pill this fall. His arrest was for unrelated securities fraud charges, but nonetheless constituted a watershed moment.

“‘From the presidential campaign trail to the hearing rooms of Congress, discontent with drug pricing has reached a breaking point,’ said Assemblyman David Chiu, D-San Francisco.

“Chiu is the author of a bill that would require pharmaceutical companies to detail the production expenses of any drug that costs at least \$10,000 per course of treatment. It’s one of several measures in California that could restrain medicine prices for consumers.”

Read more: <http://sfchron.cl/1RRK67f>

“Drug pricing is in a black box. We can’t talk about how to make drugs more affordable until we shed some light on how the prices are set.”

– Nicole Kasabian Evans,
Spokeswoman, California Association
of Health Plans

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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).