

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.

As prescription drug prices continue to rise at an alarming rate, Senator Dr. Ed Hernandez, O.D., Chair of the Senate Health Committee, offers his commentary in the [Sacramento Bee](#) on how taxpayers, public programs, and state budgets are struggling to deal with climbing health care costs. Today, the Senate Health Committee will hear Senate Bill 1010 (SB1010), authored by Senator Hernandez, which would give large employers, state agencies, and policymakers the information they need to tackle skyrocketing drug prices. With little information as to how drugs are priced, this latest effort to push back against drug costs in the California legislature will be crucial in addressing this hot button issue.

California needs sunshine on rising drug prices

Senator Dr. Ed Hernandez, O.D., Chair of the Senate Health Committee

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THE SACRAMENTO BEE

“The introduction of new and innovative drugs is vital to our health care system, but these often high-priced treatments come with challenges. The hepatitis C drug Sovaldi, priced at \$84,000 for a regular course of treatment, is one of the most notable examples...

“That’s why I’ve introduced Senate Bill 1010, which would require drug companies to give at least two months’ notice to state programs such as Medi-Cal and CalPERS when prices increase by more than 10 percent and to give 30 days’ notice for new drugs priced higher than \$10,000...

“This trend is a costly burden on all of us, making it crucial that we understand what’s behind these exploding prices. The public and policymakers need greater insight that will allow us to identify strategies to ensure that prices do not threaten our ability to access life-saving treatments...

“Available data suggest that publicly accessible price information in other sectors of the health care market encourages competition and reduces excess health spending. SB 1010 would bring prescription drugs in line by shedding light, for the first time, on those drugs that are having the greatest impact on our health care dollar. This change is absolutely necessary when more than 900 drugs have price tags at or above \$10,000, and the release of new drugs often comes with record-breaking prices.”

“The impact of these costly new drugs on taxpayer resources is massive, with millions of Californians covered by Medi-Cal and other public programs. With the impact of rising premiums on employers, it’s common sense that we bring some transparency to these record-breaking prices.”

Read more at <http://www.sacbee.com/opinion/op-ed/soapbox/article71398157.html>.

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/RunawayRx).