



The Problem is the Price. Period.

The pharmaceutical industry refuses to acknowledge that we have a drug price problem in this country. Instead, they are desperately attempting to deflect criticism for their relentless escalation of prices for old and new drugs alike by complaining about co-pays, deductibles, and other out-of-pocket costs.

Here's a dose of reality:

- ✓ Drug spending spiked 12 percent in 2014 while **total out-of-pocket spending** **dropped 1.3 percent**.
- ✓ Prescription **co-pays in California are capped**, and annual out-of-pocket expenses are limited under the Affordable Care Act.
- ✓ Most **employers cover 80-90 percent of health care costs**.
- ✓ CalPERS covers 90 percent of prescription costs for its 1.4 million members.
- ✓ 2 out of 3 subsidized enrollees in Covered California **qualify for lower out-of-pocket costs** in addition to premium assistance.
- ✓ The 13 million Californians enrolled in **Medi-Cal pay little to nothing for their health care**.

Top selling U.S. drug prices over five years

Prices rose 54 percent to 126 percent.

DRUG (COMPANY)	PRICE*		PRICE GROWTH
	Dec. 31, 2010	Present	
Humira (AbbVie) 40 mg/0.8 ml pre-filled syringes	\$1,676.98	\$3,797.10	126.4%
Enbrel (Amgen) 50 mg/ml subcutaneous sol.	\$427.24	\$932.16	118.2%
Copaxone (Teva) 20 mg/ml subcutaneous sol.	\$3,025.04	\$6,593.00	118.0%
Crestor (AstraZeneca) 10 mg tablets	\$350.17	\$745.41	112.9%
Abilify (Otsuka) 10 mg tablets	\$454.07	\$891.97	96.4%
Lantus Solostar (Sanofi SA) 100 units/ml subcutaneous sol.	\$191.96	\$372.76	94.2%
Advair Diskus (GlaxoSmithKline) 250/50 inhalation discs	\$199.90	\$334.63	67.4%
Remicade (Johnson & Johnson) 100 mg IV powder for solution	\$657.87	\$1,071.48	62.9%
Neulasta (Amgen) 6 mg/0.6 ml subcutaneous sol.	\$3,320.00	\$5,155.65	55.3%
Nexium (AstraZeneca) 10 mg oral packets	\$162.55	\$250.94	54.4%

* Reflects wholesale acquisition prices before volume-related rebates and other discounts. Prices are based on most commonly prescribed dose.
Source: Truven Health Analytics
S. Culp, 30/03/2016

REUTERS

It's [SB 1010] basic stuff, really, but drug companies are kicking and screaming. At least 25 pharmaceutical makers, biotech companies and pharma trade organizations reported lobbying on SB 1010 just in the first quarter of this year.

They say that, despite the bill's good intentions, it will hurt innovation, generate paperwork, make drugs more expensive, underestimate the impact of informal discounts and encourage "gray market" stockpiling of medication. All that, just from a heads-up on major price hikes and a list of the 25 drugs costing insurers the most money? That's hard to believe.

SB 1010 supporters include business, labor, patients, health care providers and organizations from the AARP to the Valley Industry and Commerce Association. It doesn't impose price caps or tamper with the market. It simply asks for some basic information.

Lawmakers in the Assembly should follow the Senate's lead and approve it. Sunshine is the best medicine.

– Sacramento Bee Editorial, June 20, 2016

The California Association of Health Plans' RunawayRx project sheds light on skyrocketing prescription drug pricing and how it impacts health care. For more information, visit www.RunawayRx.org or follow us on Twitter at [@Runaway_Rx](https://twitter.com/Runaway_Rx).