



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

Renowned health care reform expert and former health policy director of the New America Foundation Dr. Len Nichols stresses the need to address unsustainable prescription drug pricing and bring more transparency to price setting.

A Path Forward for Lowering Prescription Drug Prices

By Len Nichols | July 19, 2016



“It’s no secret that prescription drug prices are the fastest rising part of our health care system. That’s especially true in the cases of specialty and life-saving medications used to treat cancer, hepatitis C, and other rare diseases and ailments. But price increases are also prevalent among more common prescription medicines used by millions of Americans. **The totality of these unsustainable, across-the-board price increases is impacting patients and those seeking access to such medications; it is also weighing down our health care system and the U.S. economy...**

“For example ... a controversial figure that pegs the average cost of developing a new prescription drug at \$2.6 billion. But that number is far from accepted within the medical community. When the figure was initially floated in 2014, the director of policy and analysis for Doctors Without Borders put it plainly, ‘If you believe that, you probably also believe the earth is flat.’

“It’s time for action to put America’s prescription drug market on a more sustainable path forward.”

“Transparency about what is spent and how prices are set would improve the quality of the debate over drug pricing and actual value...

“[B]udget-busting prices from prescription drugs pose an impossible situation for many patients and for essential taxpayer-funded health care programs like Medicare and Medicaid. What’s clear is it’s unsustainable. Americans are also taking notice. In a recent Kaiser Family Foundation poll, almost three-quarters – **73 percent** – of the public say that **prescription drug costs are unreasonable.**

“Ideas like adding more transparency, competition and value to the prescription drug market are gaining broad support from important players in our health care system, including physicians, pharmacists, and nurses. **These concepts would drive down prices and help reverse some of the damage these high prices have done to our entire health care system.**”

Read more at <https://morningconsult.com/opinions/path-forward-lowering-prescription-drug-prices/>.

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).