



A poll conducted by [Small Business Majority](#) confirms that nearly 90 percent of small business owners believe prescription drugs prices are too expensive and feel that ever escalating drug costs are hurting their bottom line. Californians are looking to new legislation, SB 17 (Hernandez), in hopes of shining a light on what's behind the endless price increases and bringing sanity to prescription drug prices.

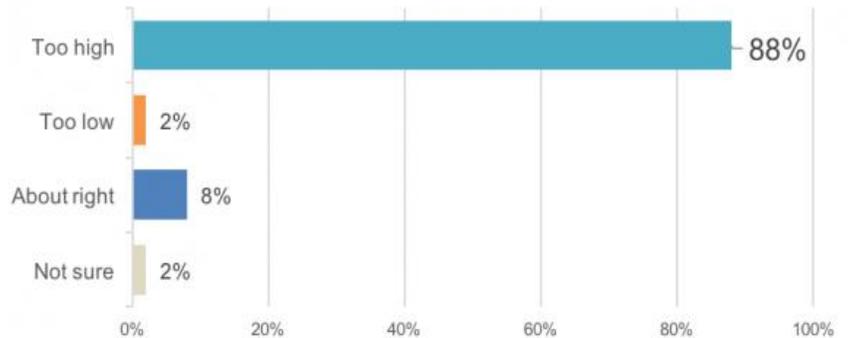
Entrepreneurs Say High Drug Prices Are Bad for Business



By John Arensmeyer | December 15, 2016

“Small Business Majority released a new scientific opinion poll last week that provides a picture of the difficulties small business owners face when it comes to the cost of prescription medications. Most entrepreneurs surveyed include prescription drug coverage in the plans they offer their employees, and more than half say drug costs are a consideration when selecting a plan. But these small employers find themselves struggling to afford prescription drug costs and believe that these costs are hurting small businesses...

Nearly 9 in 10 Small Business Owners Think Drug Costs are Too High.



“Between May 2015 and May 2016, drug prices rose an average of almost 10 percent, according to a Wall Street Journal review of pharmaceutical company filings. This growth far outpaced increases in many consumer goods over the same period, including food and alcohol (up 2.8 percent) and apparel (up 5.7 percent). During those 12 months, the inflation rate was just 1 percent.

“Looking at these numbers, it’s unsurprising that 88 percent of entrepreneurs who offer health insurance say drug prices are too high, according to Small Business Majority’s survey, and nearly two-thirds (63 percent) of small employers think the prescription drug market is dysfunctional.

“With these perceived problems, it’s no wonder small business owners are looking for solutions. Fortunately, some states are looking to address these shortcomings. One proposal now on the table in California thanks to a bill recently reintroduced by state Sen. Ed Hernandez (D-West Covina) would increase transparency in the market by requiring drug companies to shed light on the process used to determine the price of their drugs.”

Read More: <https://morningconsult.com/opinions/entrepreneurs-say-high-drug-prices-bad-business/>

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).