

# SHINING A LIGHT ON HIGH-PRICED DRUGS



Healthcare prices are on the rise and, according to a report released today from PWC's Health Research Institute (HRI), prescription drug prices are one of the primary factors driving up costs across the board.

## THE PROBLEM

[PWC's HRI report](#) found:



- Prescription drug costs contribute to **nearly 20 percent** of all medical costs for employers.
- A single high-priced drug can have a disproportionate impact: **in 2015, expensive new Hepatitis C drugs helped drive up Rx spending by 14 percent.**
- **69 percent of consumers** feel that a pharmaceutical company should not be allowed to charge indiscriminately for a medication.

*"If you're in the kitchen and one of these new specialty drugs rolls under the refrigerator, you'll throw out your fridge, because the pill costs more," Mike Thompson, president and CEO of the National Alliance of Healthcare Purchaser Coalitions.*

## THE SOLUTION

To keep prices in check, the PWC report recommends drug companies give stakeholders greater insight, or transparency, into their pricing. California is considering doing just that with a bill, SB 17 (Hernandez), that would give stakeholders a basic level of transparency.

The bill's author has more in a recent [op-ed from the Sacramento Bee](#):

*"We need to shine a light into the deep shadows of drug pricing and hold Big Pharma accountable. SB 17 is a commonsense approach to accomplish that goal."*

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.com](http://www.RunawayRx.com), and follow us on Twitter at @Runaway\_Rx.