



**For Immediate Release**  
**June 26, 2020**

**Media Contact**  
Kim Ericksen  
916-804-5286

## **ICYMI: OSHPD Releases SB 17 Drug Cost Increase Report for Q1 2020 – Reveals Continued Drastic Drug Price Increases**

*Patients, consumers already struggling in economic recession now face steeper drug prices*

**June 26, 2020 -- Sacramento, Calif.** – The first quarterly wholesale drug cost increase report of 2020, issued by the [Office of Statewide Health Planning and Development \(OSHPD\)](#), has been released to the public. The report is a result of the passage of California’s landmark drug price transparency bill, Senate Bill 17 (Hernandez), which became law in 2017.

Results from the release show continued and significant increases in the pricing of several prescription drugs, for many of which the manufacturer did not cite any change or improvement to the drug. Some key takeaways and examples of these increases include:

- A drug used as a surgical sedative and to treat some allergy reactions, Promethazine (Nostrum Laboratories), **increased by over 1,400% without any noted change or improvements to the drug.**
- A beta blocker drug used to lower high blood pressure, Pindolol (Nostrum Laboratories), **increased by 250% to now cost almost \$370.**
- One drug used to manage anxiety disorders or alcohol withdrawal, Diazepam (Mayne Pharma Inc.), **increased by 100%, doubling from \$90.80 to \$181.60.** The prescription drug company only cites market changes as the reason for this price hike.

California led the nation when the Legislature passed and the Governor signed into law SB 17, the first-of-its-kind prescription drug price transparency legislation. The law is designed to hold pharmaceutical manufacturers to similar reporting standards as others in the healthcare industry. SB 17 welcomed a new era of public reporting that brings transparency to skyrocketing prescription drug prices, which other states have since embraced.

Under SB 17, drug manufacturers are required by law to provide OSHPD with information on their drug pricing when increases are greater than 16%, as well as drug price increase information that occurred within the previous two calendar years prior to the current year. Additionally, drug manufacturers must provide the prior year’s marketing budget for the drug, and information on improved clinical efficacy of the drug. OSHPD publishes this information quarterly on its website within 60 days of receipt. Drug manufacturers began providing purchasers with 60-days advance notice of increased drug prices in

January 2018. The landmark policy and subsequent notice of drug cost increases over time will pave the way for purchasers, health plans, and policymakers to make health care more affordable for patients and consumers by:

- Allowing more time for important high drug price negotiations
- Creating needed downward pressure on drug pricing
- More accurately accounting for drug spending to plan budgets accordingly

For more information about SB 17, visit [RunawayRx.com](http://RunawayRx.com).

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