



For Immediate Release  
February 5, 2020

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## ICYMI: Bloomberg Law Discovers California Regulators Fined Pharma Companies \$11 Million For Late Drug Price Transparency Reporting

February 5, 2020, Sacramento, Calif. – This week, [Bloomberg Law](#) published an article analyzing the effectiveness of drug pricing transparency laws across several states, including California, and the impact of pharmaceutical companies' attempts to skirt around these laws. The article reports, *"California law requiring advanced notice of cost increases for drugs that meet certain thresholds likely kept prices lower than they would have been without it."*

Below are article highlights:

### **Bloomberg Law: State Drug-Pricing Laws Hampered by Resistance, Lack of Teeth**

By Brenna Goth & Jacquie Lee

February 3, 2020

*"...At least 11 states have laws requiring manufacturers to provide data on drugs' costs, warnings before prices increase, and justifications for changes. But many companies are complying only partly or not at all..."*

*"California [has] fined companies to track down late or missing information. Supporters of state transparency laws say they're the first step in identifying why drug costs are increasing and that knowing about increases beforehand can help big purchasers negotiate..."*

*"...The California law requiring advanced notice of cost increases for drugs that meet certain thresholds has likely kept prices lower than they would have been without it, said Mendoza from Families USA. Bloomberg reported several drugmakers rescinded planned cost hikes in 2018, but new data shows so far this year drugmakers raised prices on medications by an average of 5.3%."*

*"A number of companies decided not to increase price beyond what would trigger California's transparency law," Mendoza said."*

*"Several companies, including Teva Pharmaceutical Industries Ltd., Mylan NV, and Par Pharmaceutical Holdings Inc. declined in some disclosures to provide reasons for price increases or information about other marketing tactics, citing trade secret or proprietary protections..."*

*"...California regulators sent 17 penalty notices for late reports totaling nearly \$11 million in fines, according to Jan. 22 data released to Bloomberg Law under the state's public records law. Five companies paid in full, while others reached settlements to pay reduced amounts or nothing, or are still appealing."*

*"...Additionally, most drug manufacturers reporting to California didn't give reasons for price increases in the last reporting period..."*

*"...In California, advocacy groups want to work with the state on ways to make manufacturers 'more forthcoming' about price increases, said Anthony Wright, executive director of Health Access California..."*

To read the full *Bloomberg Law* article: [State Drug-Pricing Laws Hampered by Resistance, Lack of Teeth](#)

For more information about SB 17, visit [RunawayRx.com](#).

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