



For Immediate Release
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Media Contact
Becky Warren
916-607-0129

ICYMI: SB 17 Drug Cost Increase Report for the First Three Quarters of 2019 Released by OSHPD - Reveals More Cost Increases

*Thousands of dollars of cost increases for prescription drugs will be a strain on patients,
consumers*

April 9, 2020, Sacramento, Calif. – The third quarterly report providing wholesale drug cost increase information on existing prescription drugs issued by the [Office of Statewide Health Planning and Development \(OSHPD\)](#) was released to the public last month. The report is a result of the passage of Senate Bill 17 (Hernandez), California’s landmark drug price transparency bill that became law in 2017.

Results in the report show significant increases in some drug prices, particularly for drugs used for commonly treated medical conditions. Some key takeaways and examples of high price hikes include:

- An adrenal cancer chemotherapy drug, Lysodren (Laboratoire HRA Pharma) increased in cost by 75% to over \$800.
- A drug used for the long-term treatment of certain causes of chronic bronchitis and emphysema, Tudorza Pressair Inhalation Powder (Circassia Pharmaceuticals), increased in cost by 48%, now costing \$520 from \$351.75.
- Used to treat conditions caused by calcium deficiencies, Calcium Gluconate (Fresenius Kabi) increased in price by 50%, now \$225 per vial, without any cited reasons for the increase.

California led the nation when it passed the first-of-its-kind prescription drug price transparency legislation designed to hold pharmaceutical manufacturers to similar reporting standards as others in the health care industry. SB 17 implemented a new era of public reporting that provides new transparency into outsized prescription drug price hikes that other states have followed.

Under SB 17, drug manufacturers are required by law to provide OSHPD with information on their pricing when the increase is greater than 16%, as well as drug price increase information that occurred within the previous two calendar years prior to the current year. They must also provide the prior year’s marketing budget for the drug, and information on improved clinical efficacy of the drug. OSHPD publishes this information on its website within 60 days of receipt on a quarterly basis. In January 2018, drug manufacturers began providing purchasers with 60-days advance notice of increased drug prices. Advance notice of drug cost increases over time will clear the path for purchasers, plans, and policymakers to make health care more affordable for consumers by:

- Allowing more time for high drug price negotiations
- Creating downward pressure on drug prices
- Accounting for drug spending to plan budgets accordingly

For more information about SB 17, visit RunawayRx.com.

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