



**For Immediate Release**  
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## **ICYMI: OSHPD Report Reveals Prescription Drug Manufacturers Continue to Raise Prices**

*Rising costs for commonly-used prescription drugs will raise health care premiums and financially burden patients, consumers*

**September 18, 2020 -- Sacramento, Calif. –** Yesterday, the [California Office of Statewide Health Planning and Development \(OSHPD\)](#) released the second quarterly report of 2020, which provides wholesale drug cost increase information on existing prescription drugs. OSHPD's quarterly reports are a result of the enactment of Senate Bill 17 (Hernandez), first-of-its-kind legislation that has brought transparency to drug companies' pricing practices.

Yesterday's release demonstrates that drug manufacturers continue to substantially increase the price of some prescription drugs, many of which are not a result of any change or improvement to the product as noted by the drug manufacturers themselves. Some key takeaways and examples of egregious drug price increases include:

- A drug used to prevent the formation of blood clots, Heparin Sodium (Hikma Pharmaceuticals), increased by 40% to cost nearly \$300.
- A drug used to replace lost fluids and provide carbohydrates to the body, Dextrose (B. Braun Medical), increased by 37% to cost nearly \$70.
- A drug used to treat Schizophrenia, Molindone (Epic Pharma), increased by 30% to now cost over \$1,000.
- A drug used for nutritional support for low birth weight infants, Trophamine (B. Braun Medical), increased by 30% to now cost over \$200.

California led the nation when passing the momentous drug price transparency legislation in 2017 via SB 17, which was designed to hold prescription drug manufacturers accountable through similar reporting standards as others in the healthcare industry. This new era of public reporting brings transparency to the public like never before, allowing the public to witness firsthand the skyrocketing price of prescription drugs. Since its passage, other states have also followed suit to enact similar legislation.

Under the law enacted by SB 17, drug manufacturers are required to provide OSHPD with information on their drug price increases greater than 16%, as well as drug price increase information that occurred within the previous two calendar years prior to the current year. Drug manufacturers must also provide the prior year's marketing budget for the drug, as well as information on improved clinical efficacy of the drug. OSHPD reports 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. Senate Bill 17 and transparency around drug cost increases over time have paved the way 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 pricing by manufacturers
- Accounting for drug spending to appropriately plan budgets

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

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