RUNAWAY Rx
AFFORDABLE PRICES FOR REAL CURES

SHEDDING LIGHT ON PRESCRIPTION DRUG PRICING

Drug companies are pushing the limits on prescription drug prices across the board. Six-figure price tags on old and new drugs have become commonplace, specialty drugs and generic drugs see similar pricing jumps and prices for orphan drugs regularly reach above $300,000. This dangerous trend has already cut into state budgets and, if it continues unchecked, will threaten health care affordability for everyone.

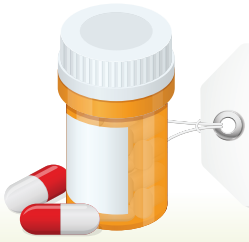
Still, policymakers have little information about why drug prices are so high. In order to begin addressing the drug pricing crisis, we need to end the information vacuum and bring the pharmaceutical industry's pricing tactics into the light.

DRUG PRICES ON THE RISE

The average price of a specialty drug **now exceeds** the median U.S. household income.

$52,250 PER YEAR

VS.



$53,384 PER YEAR

From **2008 to 2016**, the average price for brand name drugs increased

200%

In 222 generic drug groups, **price increases doubled** between 2013-2014.

THE TRUTH ABOUT RESEARCH & DEVELOPMENT COSTS

It's commonly believed that high-priced drugs are so expensive because research and development costs are high, but that's not the full story:

Taxpayers Support R&D

NEARLY HALF OF R&D COMES FROM:

- National Institutes of Health
- State and Local Governments
- Academic Institutions
- Research Hospitals
- Charitable Organizations

For more information, please go to www.calhealthplans.org or www.runawayrx.org.

California Association of Health Plans

March 2017

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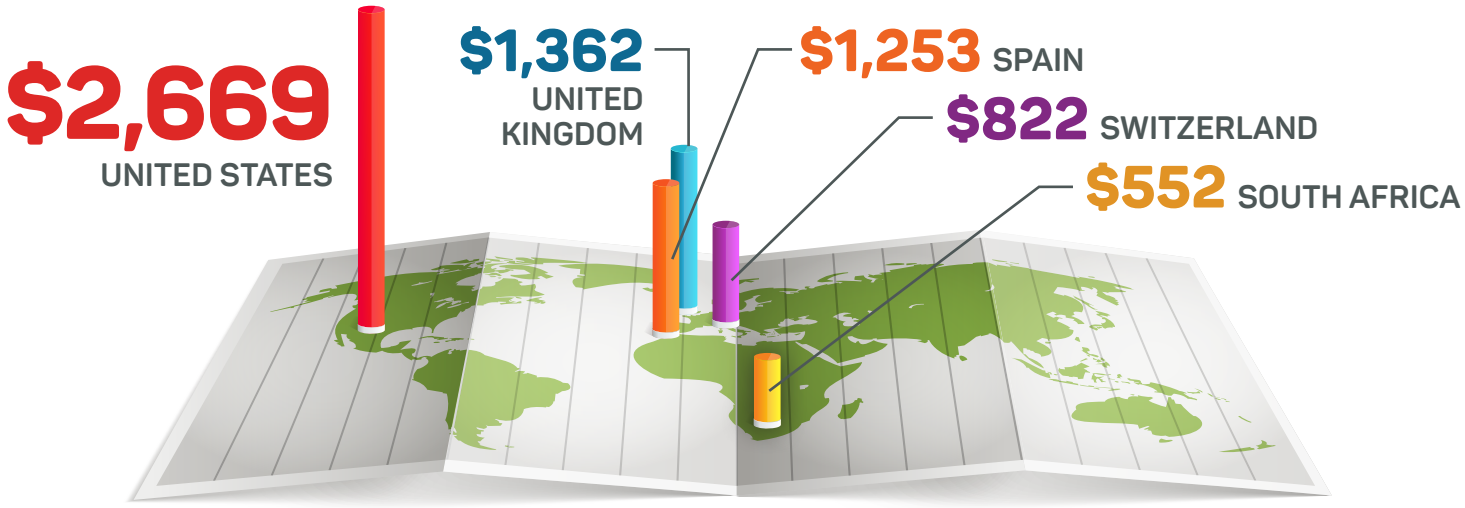
U.S. Prescription Prices Soar Above the Rest of the World

The monthly price for the generally prescribed arthritis drug, Humira, **varies widely** based on which country the patient is located in – with the U.S. far out-pacing all others.



How can one drug be 500 percent more expensive in the United States?

SPOTLIGHT ON RX PRICE INCREASES

In just two decades, insulin prices **HAVE SPIKED BY 700%**

Mylan Pharmaceuticals raised the retail price of a two-pack of EpiPens from $100 to more than $600 dollars, but EpiPens only cost $30 to produce.

Steep increases on vital prescriptions are hurting Californians from all walks of life. From the state capitol to the family dinner table, unexplained and exorbitant price increases on vital medications are causing unnecessary strain. With drug companies setting the prices based on what they think the market will bear, Californians are coming in last.

It's time we put our residents first and get to work addressing prescription drug prices to help make affordable health care for all a reality.

For more information, please go to www.calhealthplans.org or www.runawayrx.org.

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