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HEALTHCARE VALUE HUB

Why Are Prescription Drug Prices So High And What Can Advocates Do About It?

Lynn Quincy, Director, Healthcare Value Hub at Altarum
February 3, 2020

@HealthValueHub

HealthcareValueHub.org

Who am I?

- Work at the intersection of research, policy and advocacy on health system issues.
- More than 30 years of experience, including Consumer Reports, Mathematica Policy Research, Institute for Health Policy Solutions, and more
- Fun fact: I love to garden, especially veggies, and I used to own chickens

Altarum

A 450-employee, nonprofit health services research organization that creates and implements solutions to advance health among vulnerable and publicly insured populations.

What is the Healthcare Value Hub?

With support from the Robert Wood Johnson Foundation:

- The Healthcare Value Hub reviews evidence to identify the policies and practices that work best to reduce healthcare spending, improve affordability for consumers, improve outcomes and reduce disparities.
- We provide FREE resources to help YOU work on these healthcare value issues.
- We support and connect consumer advocates across the U.S., providing comprehensive fact-based information to help them advocate for change, and connect them to researchers and other resources.

Housekeeping

- **Thank you for joining us today!**
- **All lines are muted until Q&A but you can queue up your question in “chat”**
- **Webinar is being recorded**

Agenda

- Why do we have this problem? Drug Pricing Basics; Q&A
- State & Federal Actions: Drug Manufacturers; Q&A
- State Actions: PBMs; Q&A
- What Can Advocates Do? Q&A
- Hub Resources

Why Drugs?

Why Now?

A Top-of-Mind Worry for Consumers

- Nearly 70 percent of Americans take one or more prescription drugs; among seniors: 89%
- While 58 percent of adults agree prescription drugs have made the lives of people better,
  - *79 percent* of adults agree drug costs are unreasonable
  - *80 percent* of adults agree drug companies put profits before people

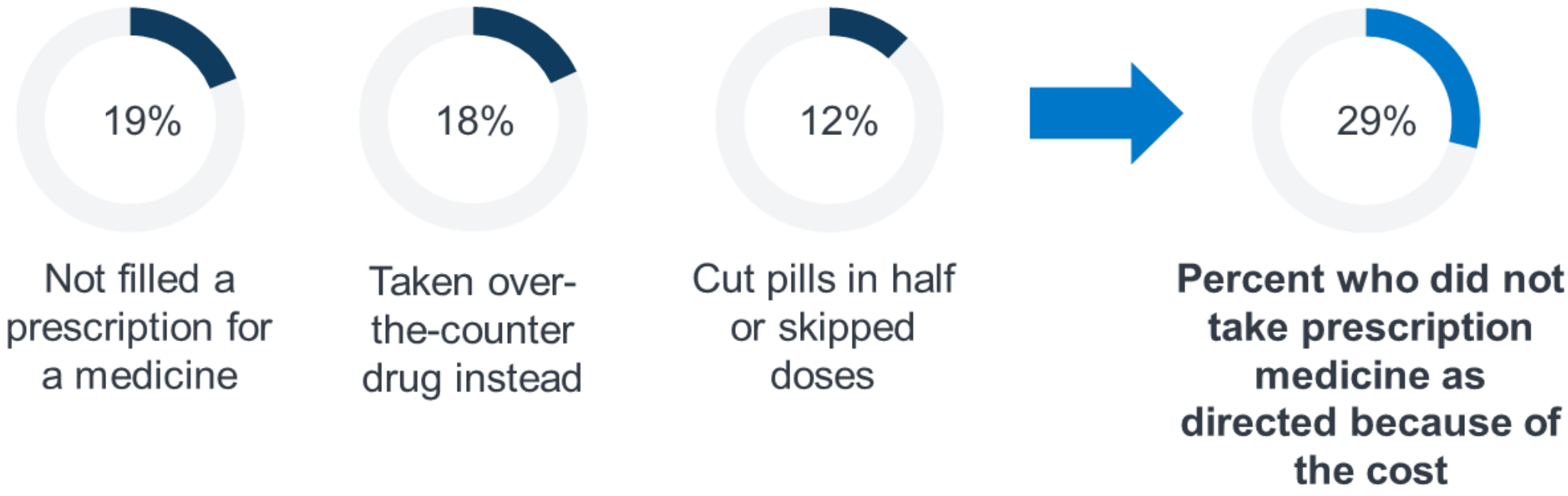
Source: KFF Health Tracking Poll – February 2019: Prescription Drugs

Severe Consumer Harm from High Costs

Figure 10

Three In Ten Say They Haven't Taken Their Medicine As Prescribed Due To Costs

Percent who say they have done the following in the past 12 months because of the cost:



SOURCE: KFF Health Tracking Poll (conducted February 14-24, 2019). See topline for full question wording and response options.

KFF
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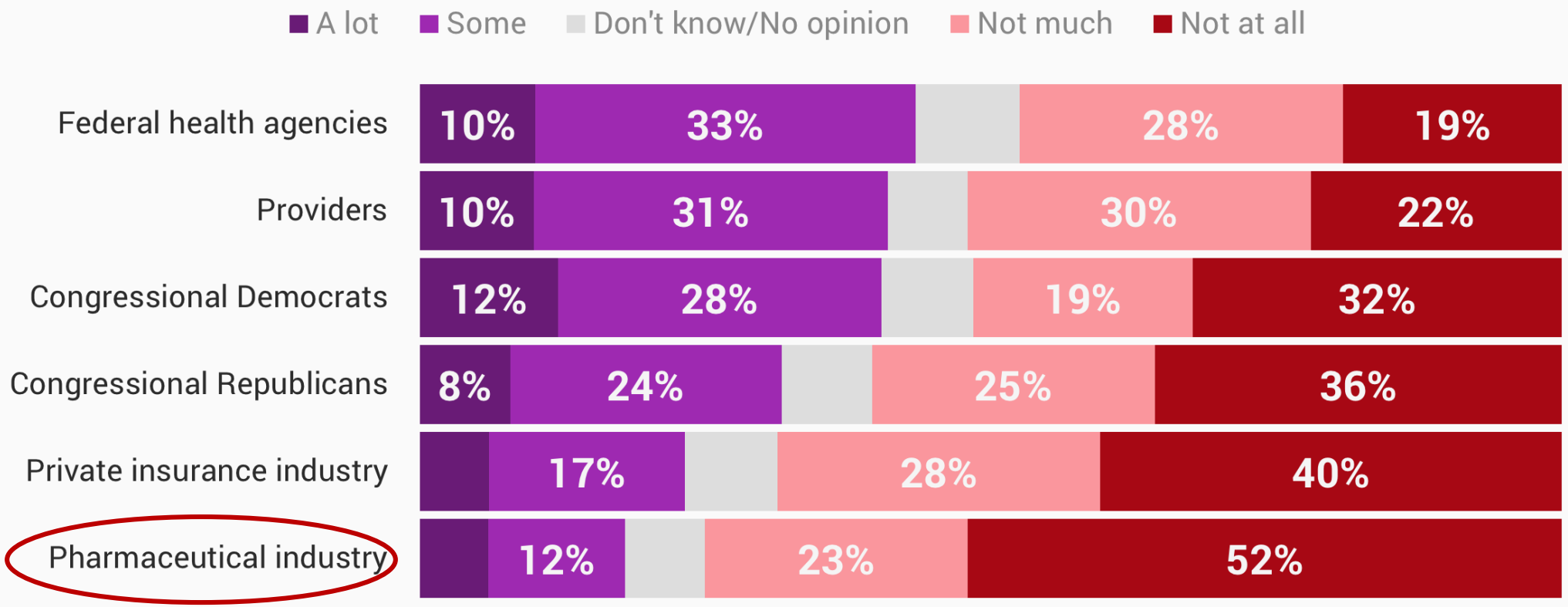
When It Comes to Health Care Costs, Voters Have Trust Issues

How much, if at all, do you trust each of the following entities to keep the costs of health care low?



MORNING CONSULT

Source: Morning Consult, On Controlling Health Costs, Most Voters Trust … No One

In Illinois:

31%

of adults (age 18+)

“made changes to medical drugs because of cost”

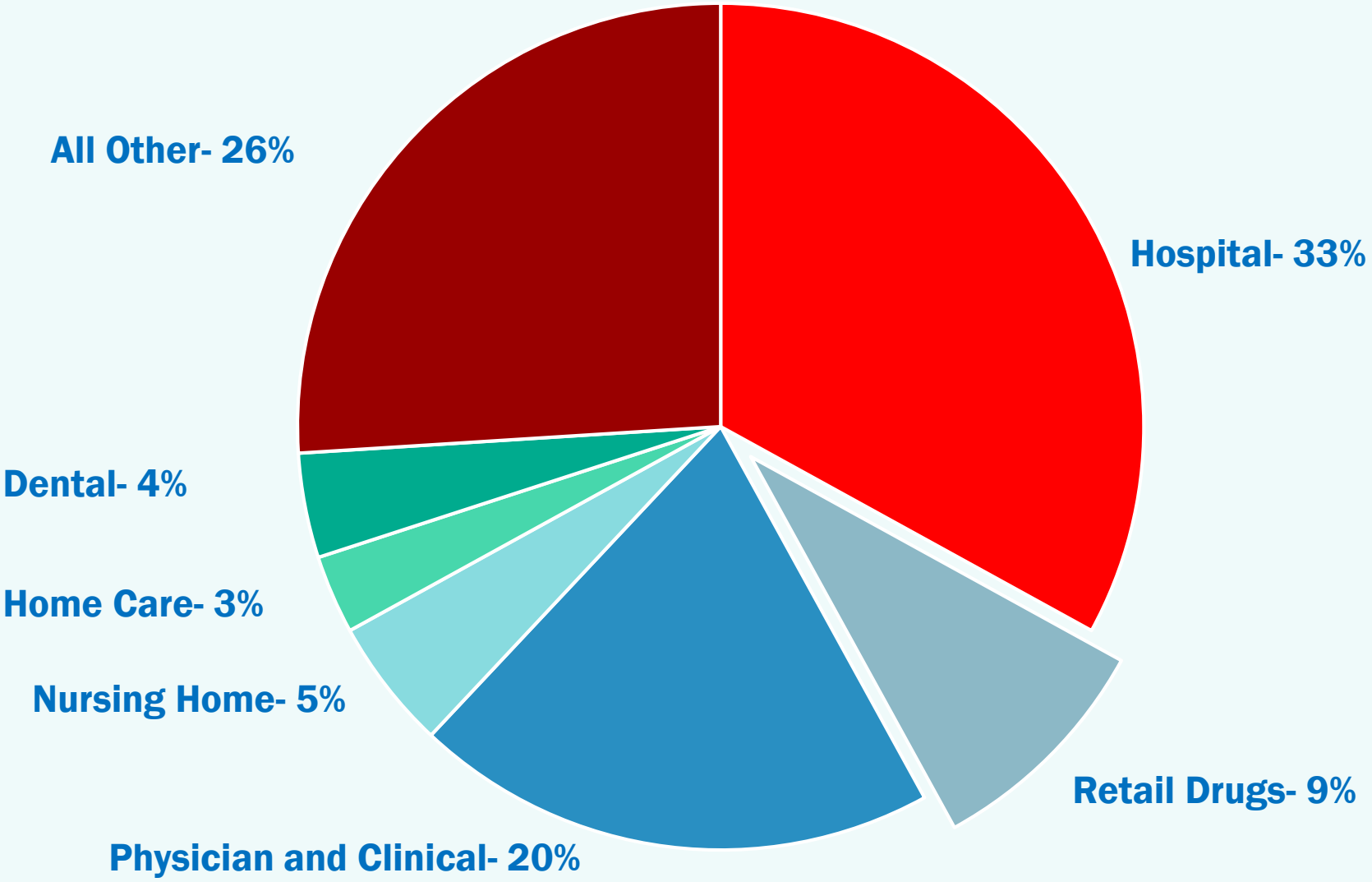
in 2017

Source: https://www.healthcarevaluehub.org/application/files/5415/7858/8694/Healthcare_Affordability_Scorecard_-_Summary_Report.pdf

LET'S BEGIN:

DRUG PRICING BASICS

How much do we spend on Drugs?



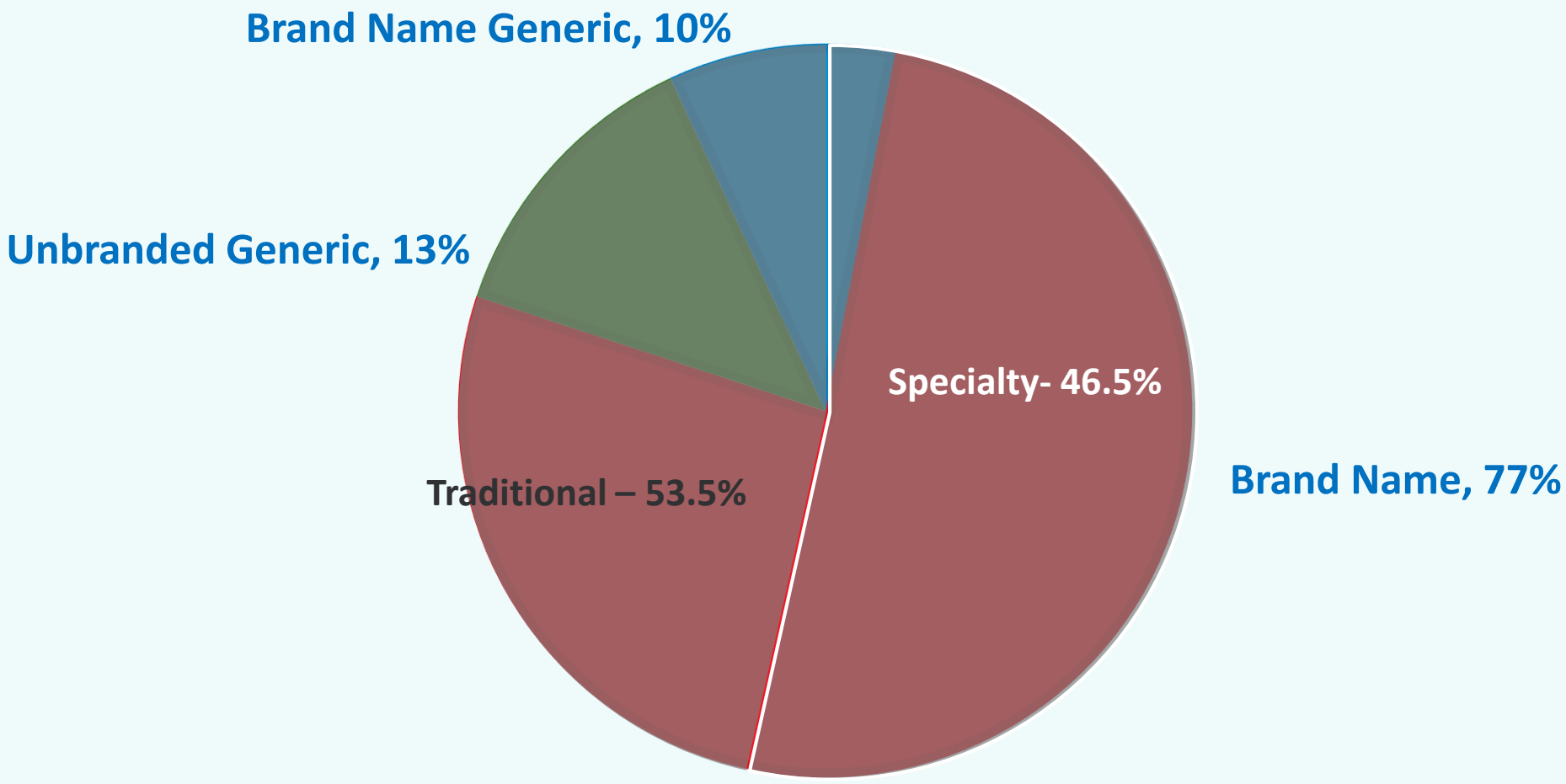
Source: 2018 National Health Expenditures from CMS.

Figure 1

U.S. Prescription Drug Spending Estimates and Projections by Source, 2010-20

Source: Pew **A Look at Drug Spending in the U.S. in Billions** (Feb 2018)

Total Drug Spending 2017



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Source: IQVIA Institute, *Medicine Use and Spending in the U.S.*

We have a drug **pricing problem**, not a utilization problem

Cumulative Change in Rx Spending Per Person, 2013-2017

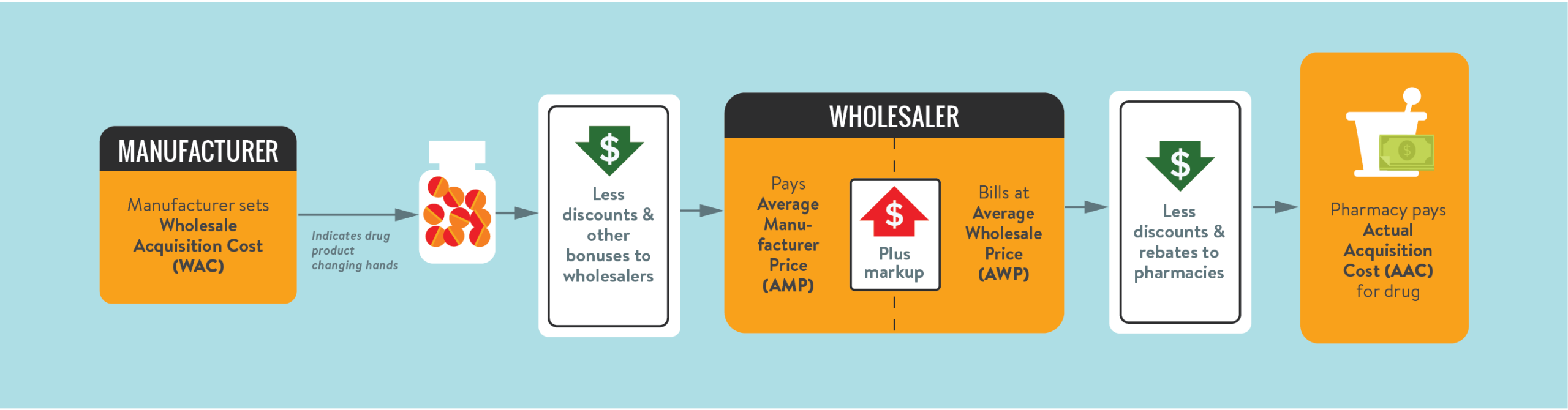
Category	Cumulative Percent Change
Prescription Drug Prices	**25%**
Prescription Drug Utilization	**3%**

SOURCE: HCCI, 2017 Health Care Cost and Utilization Report

What's a Drug Price?

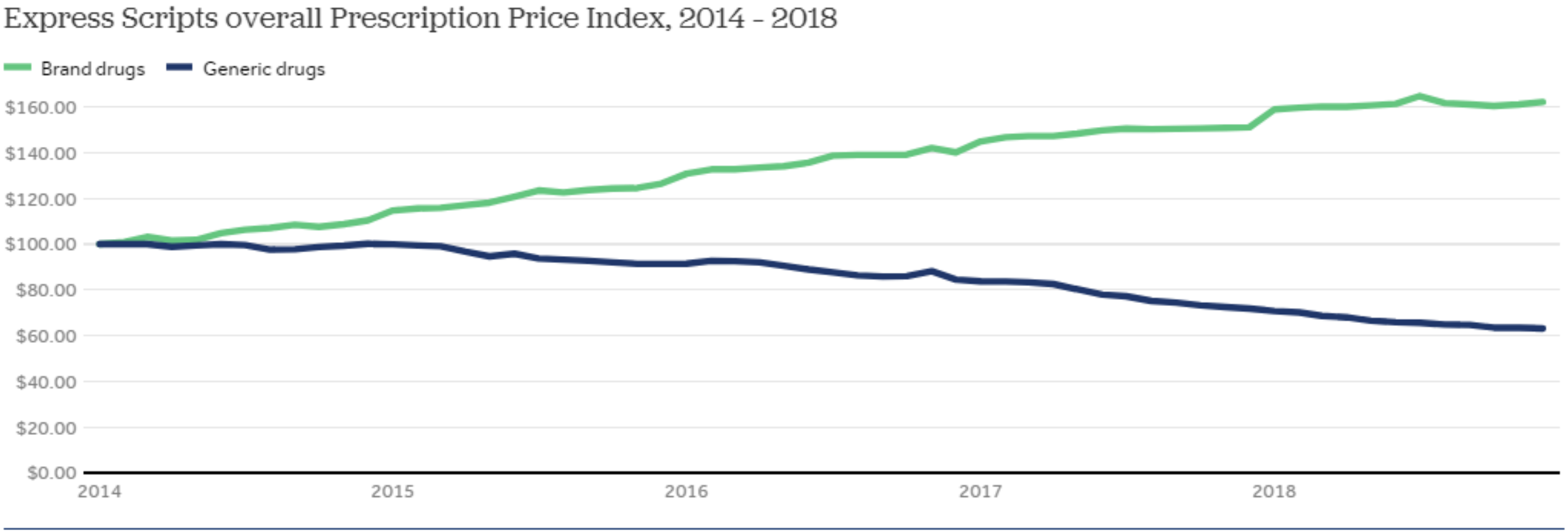
Term	Definition
Average Manufacturer Price	The average price paid to a drug manufacturer by wholesalers and retailers who buy direct from manufacturers. AMP is a benchmark created by Congress in 1990 in calculating Medicaid rebates and is not publicly available.
Average Wholesale Price	The price paid by pharmacies to purchase drug products from wholesalers in the supply chain.
List Price	The price of a drug that is shown in a pharmacist's computer.
Average Sales Price	The average sales price is derived from manufacturers sales to all purchasers and includes practically all discounts, but is only available for Medicare Part B covered drugs.

Rx Pricing Along the Supply Chain



www.HealthcareValueHub.org/Drug-Spending/

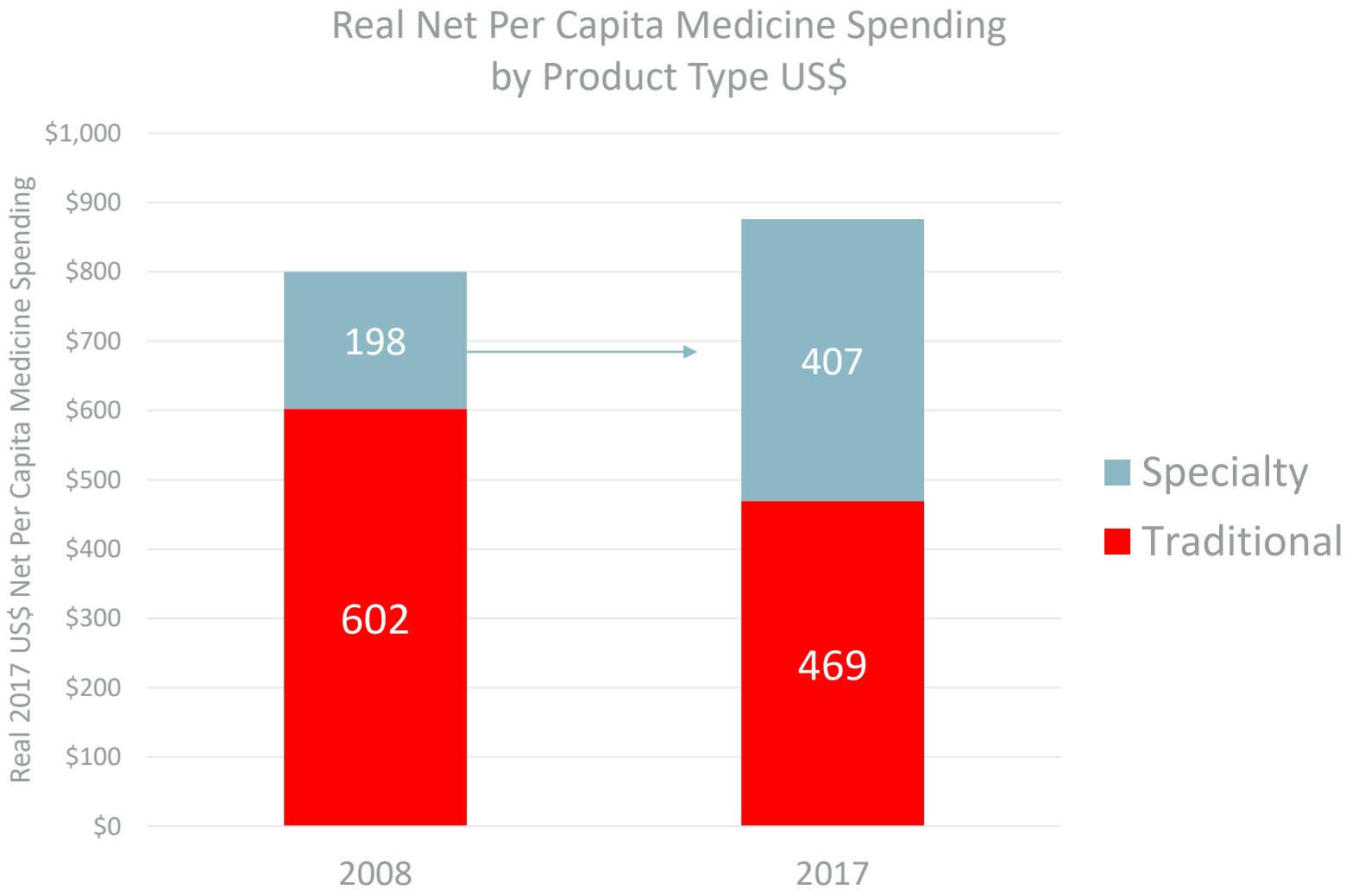
Prices for common generic drugs have dropped by 37% since 2014, while branded drug prices have increased by over 60%



Source: Express Scripts • Get the data • PNG

Peterson-Kaiser
Health System Tracker

Specialty Rx Share of Net Spending



SOURCE: IQVIA, National Sales Perspectives, IQVIA Institute, U.S. Census Bureau; U.S. Bureau of Economic Analysis, Dec 2017

How are drug prices determined?

“Prescription drugs is the only major category of health care services for which the producer is able to exercise relatively unrestrained pricing power.”

-Peter B. Bach, MD, and Steven D. Pearson, MD, MSc, JAMA (Dec. 15, 2015)

R&D Doesn't Drive Pricing

- 9 out of 10 pharmaceutical companies studied had sales and marketing costs that exceeded R&D expenditures
- Taxpayers fund 25% of pharmaceutical R&D[1]
- Drug companies average profit margins 15-20% (2006 to 2015)

[1] *2017 Global R&D Funding Forecast: U.S. R&D Slow Growth and Opportunities.*

HOW MUCH DOES BIG PHARMA SPEND ON: SALES & MARKETING vs. RESEARCH & DEVELOPMENT

IN US $ BILLION, FOR 2013

SOURCE: Dadaviz and GlobalData

BUSINESS

How Pfizer Set the Cost of Its New Drug at $9,850 a Month

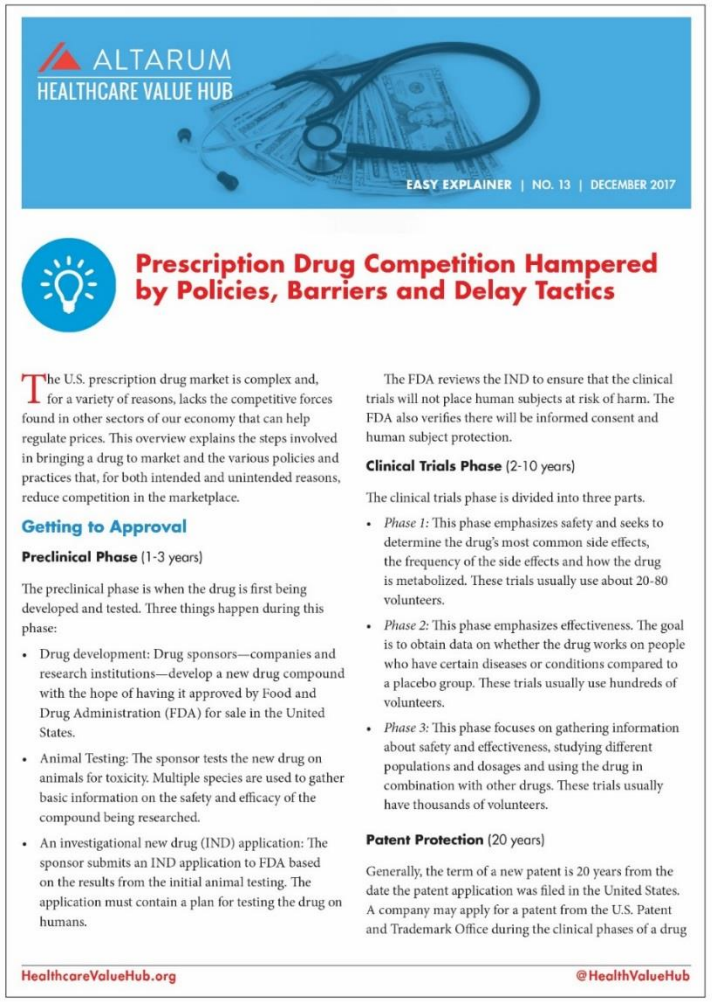
Process of setting the price for breast-cancer treatment shows arcane art behind rising U.S. drug prices

Congressional investigation shows:

- Price bears little relation to the cost of research and development.
- Instead, calibrated to be close to rivals and not deter doctors and insurers - a price that would maximize manufacturer's revenue.
- Pfizer wasn't going to fund further clinical testing and other development costs if it couldn't anticipate good financial returns from a resulting drug.

Source: *Wall Street Journal* (Dec 9, 2015)

Many High Priced Drugs Face No Or Few Competitors



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EASY EXPLAINER | NO. 13 | DECEMBER 2017

Prescription Drug Competition Hampered by Policies, Barriers and Delay Tactics

The U.S. prescription drug market is complex and, for a variety of reasons, lacks the competitive forces found in other sectors of our economy that can help regulate prices. This overview explains the steps involved in bringing a drug to market and the various policies and practices that, for both intended and unintended reasons, reduce competition in the marketplace.

Getting to Approval

Preclinical Phase (1-3 years)

The preclinical phase is when the drug is first being developed and tested. Three things happen during this phase:

- Drug development: Drug sponsors—companies and research institutions—develop a new drug compound with the hope of having it approved by Food and Drug Administration (FDA) for sale in the United States.
- Animal Testing: The sponsor tests the new drug on animals for toxicity. Multiple species are used to gather basic information on the safety and efficacy of the compound being researched.
- An investigational new drug (IND) application: The sponsor submits an IND application to FDA based on the results from the initial animal testing. The application must contain a plan for testing the drug on humans.

The FDA reviews the IND to ensure that the clinical trials will not place human subjects at risk of harm. The FDA also verifies there will be informed consent and human subject protection.

Clinical Trials Phase (2-10 years)

The clinical trials phase is divided into three parts.

- *Phase 1:* This phase emphasizes safety and seeks to determine the drug's most common side effects, the frequency of the side effects and how the drug is metabolized. These trials usually use about 20-80 volunteers.
- *Phase 2:* This phase emphasizes effectiveness. The goal is to obtain data on whether the drug works on people who have certain diseases or conditions compared to a placebo group. These trials usually use hundreds of volunteers.
- *Phase 3:* This phase focuses on gathering information about safety and effectiveness, studying different populations and dosages and using the drug in combination with other drugs. These trials usually have thousands of volunteers.

Patent Protection (20 years)

Generally, the term of a new patent is 20 years from the date the patent application was filed in the United States. A company may apply for a patent from the U.S. Patent and Trademark Office during the clinical phases of a drug

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- Generic drugs play an important role in disciplining drug prices and controlling rising drug costs.
- BUT US law gives every new drug a long-term monopoly that prohibits competition.

THE ROAD TO DRUG COMPETITION

HAMPERED BY POLICIES, BARRIERS AND DELAY TACTICS

For information on how our current system thwarts drug competition see:

HEALTHCAREVALUEHUB.org/Drug-Spending

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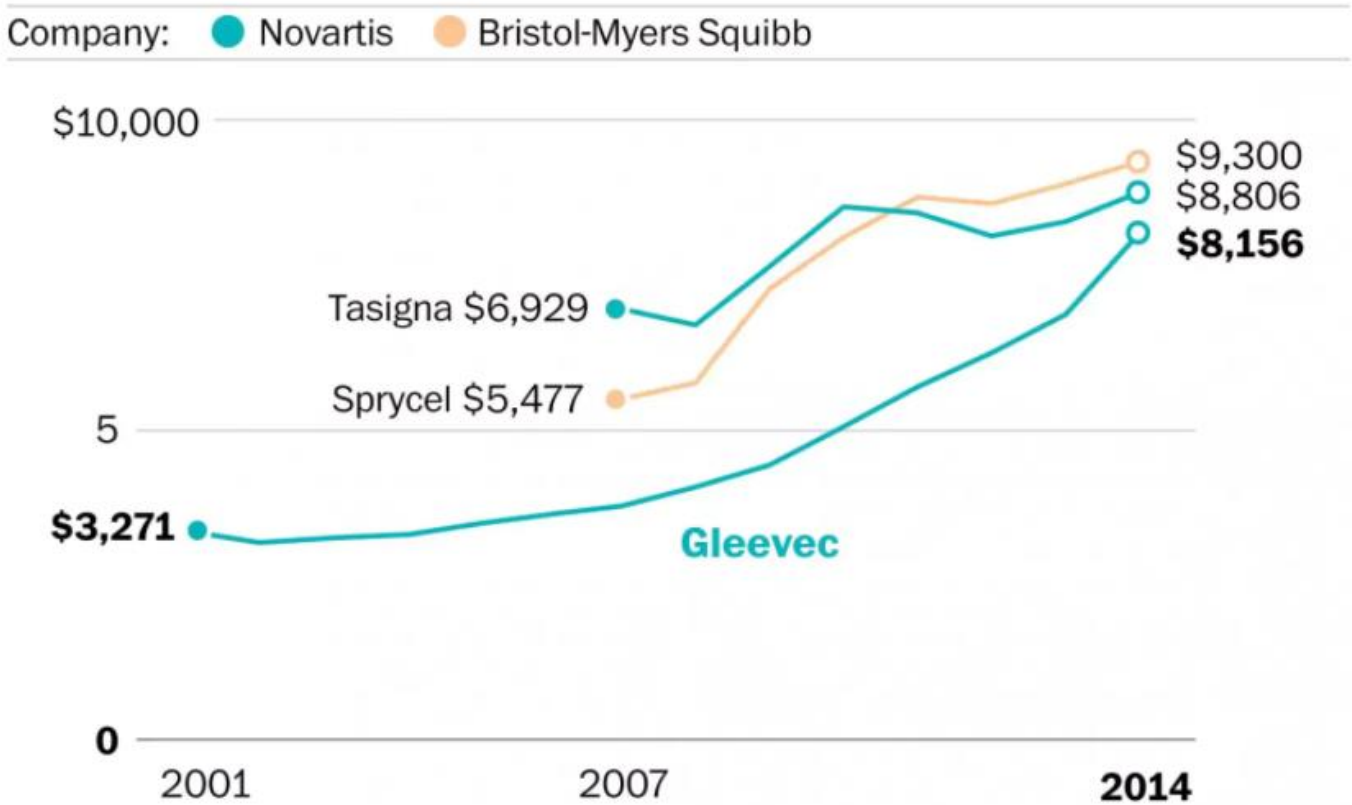
Barriers to Competition

Term	Definition
Abuse of Orphan Drug Status	Drug companies marketing medications used to treat common diseases as more expensive orphan drugs used to treat rare diseases.
Market Exclusivity	Exclusive marketing rights granted by the FDA upon approval of a drug; can run concurrently with a patent or not. Inhibits generic and biosimilar drug applications.
Product Hopping	A strategy drug makers use to keep brand-name drug prices high by reformulating existing brand therapies in order to delay generic entry. Companies discontinue the old formulation of a drug whose patent expiration date has passed or is approaching in an attempt to force consumers to change to the drug's new—and newly patented—formulation
Patent Thickets	Patent system abuse caused by drug companies using multiple patents to extend their monopolies.

Rising drug prices

New drugs treating chronic myeloid leukemia were introduced at prices higher than Gleevec's. Their prices have gradually risen since, and Gleevec's price has increased at a greater clip.



Note: Amounts reflect median monthly payments by patients and their private insurance plans. They do not include rebates and discounts. Amounts are adjusted for inflation to 2014 levels.

Source: Truven Health Analytics data analyzed by Stacie Dusetzina

KEVIN UHRMACHER/THE WASHINGTON POST

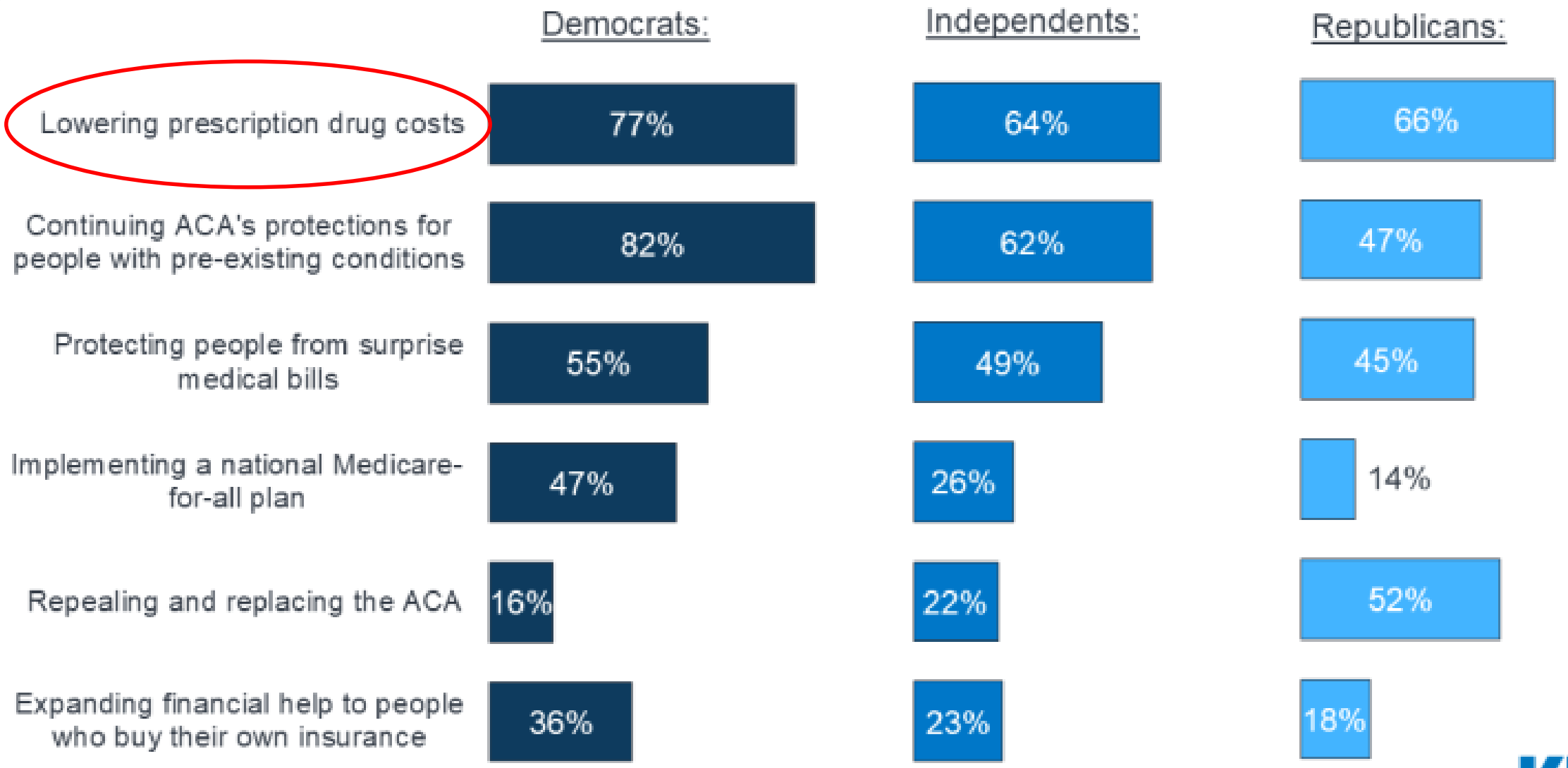
Source: Washington Post, March 9, 2016

Questions?

- Use the chat box or to unmute, press *6
- Please do not put us on hold!

Tackling the Problem of High Drug Prices

Public Ranks Top Priorities For Congress



SOURCE: KFF Health Tracking Poll (conducted April 11-16, 2019). See topline for full question wording and response options.

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63% of Americans think there is **not as much regulation as there should be** when it comes to limiting the **price of prescription drugs**.

That's 72% of Democrats

62% of independents

and 53% of Republicans

SOURCE: KFF Health Tracking Poll (conducted February 14-24, 2019)

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Strategies to Address Drug Prices

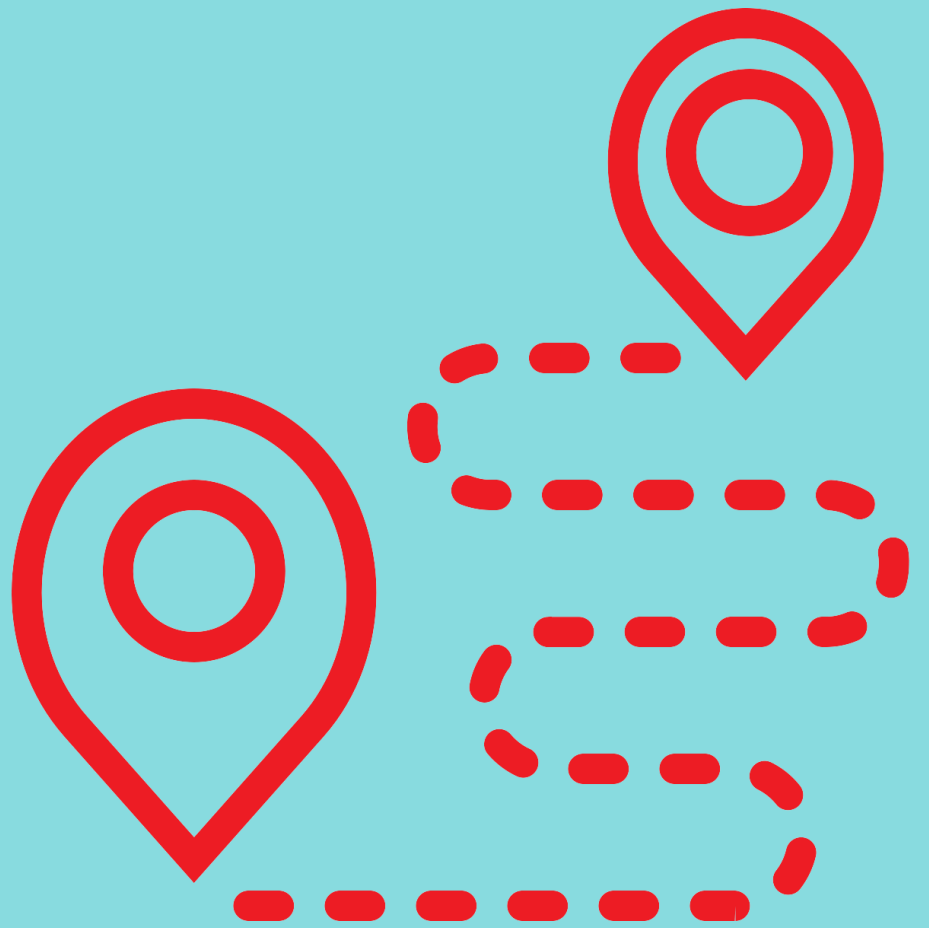
Who?	Strategy	Federal	State
Health Plans; Medicare; PMBs	**Lower Out-of-Pocket Costs**	• Cap Part D enrollee cost-sharing • Prohibit discrimination in formulary design	• Cap-the-copay • Prohibit discrimination in formulary design
PBMs; Manufacturers	**Price Transparency**	• Ban pharmacist gag clauses	• Rx price transparency/justification • Rebate and pricing transparency • Require PBMs to be licensed by the state
Manufacturers	**Increase Competition**	• Address FDA's backlog • Amend the Orphan Drug Act • Prevent "Pay for Delay" tactics • Enforce Risk Evaluation and Mitigation Strategy (REMS) guidelines • Modify patent rules (address product hopping and patent thickets) • Accelerate biosimilar approval • Bayh-Dole Act (march-in rights)	• Pay for delay restrictions (CA) • Volume purchasing/"Netflix" model • Importation • Manufacture own generic drugs! (CA)
Manufacturers	**Price Setting**	• Medicare price negotiation • International reference pricing	• Prescription drug oversight entity/affordability board • Anti-price gouging • Outcomes based pricing

EXAMPLE: Colorado Insulin Copay Cap

- **Caps** the cost-sharing a covered person is required to pay for prescription **insulin** drugs at $100 per 30-day supply.
- Directs AG to launch investigation into how prescription insulin prices are set and make recommendations
- Insulin prices rose by 45 percent between 2014 and 2017, resulting in one in four type 1 diabetics reporting underusing their insulin due to the high cost.

http:www.healthcarevaluehub.org/advocate-resources/drug-spending///

Solutions that Target Drug Manufacturers



EXAMPLE: Nevada Insulin Price Transparency Law

- Diabetes drug makers that raise their list price by a certain amount must disclose information about the costs of making and marketing the drugs, along with what rebates they provide.

More generally:

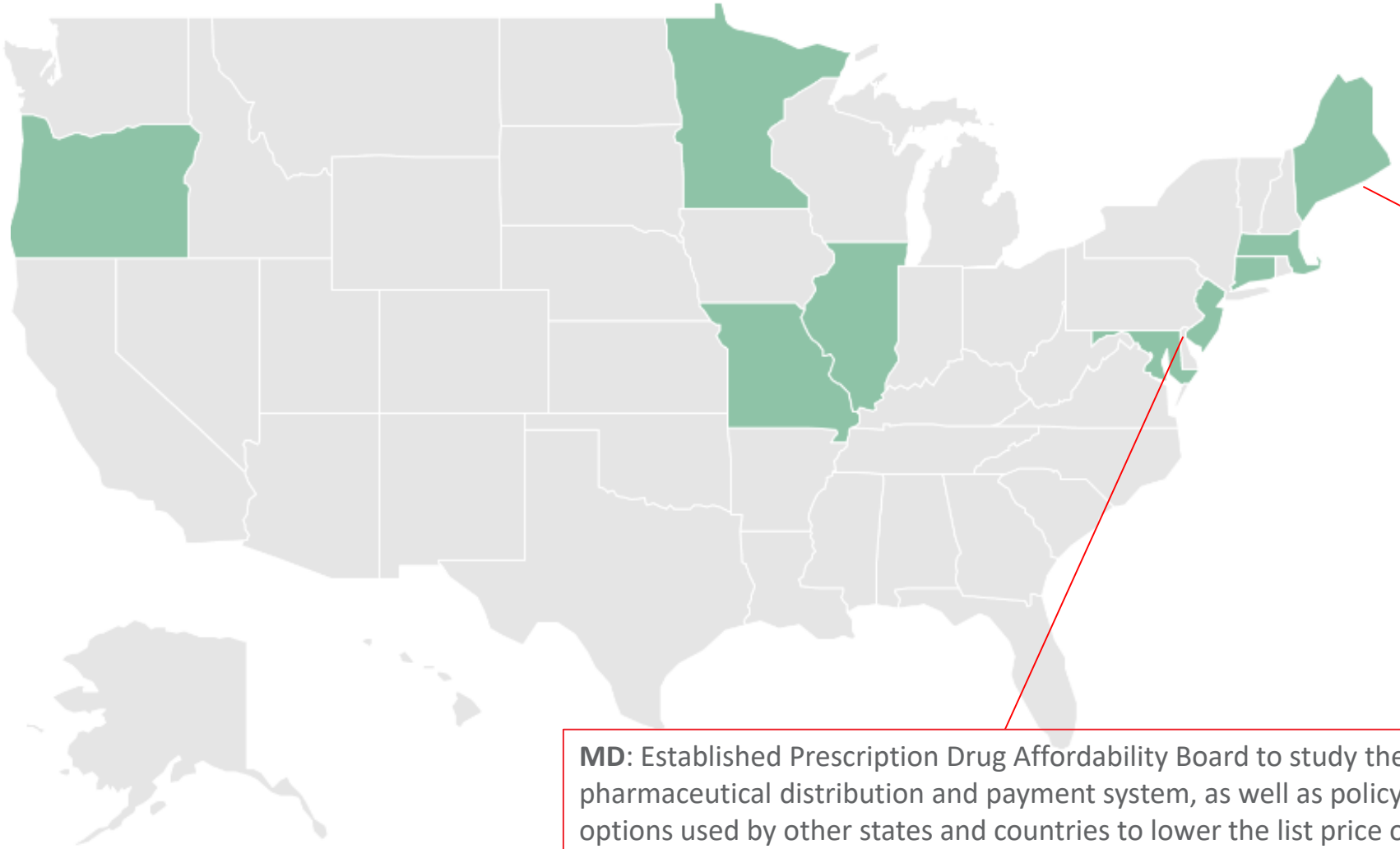
- 26 bills introduced in 2018, five became law
- OR and CT require drug manufacturers to justify and disclose price increases over specified thresholds
- Disparity between list prices and consumer cost-sharing

EXAMPLE: Maryland's Prescription Drug Affordability Board

- Looks at valuable drugs and determines at what cost they are "affordable"
  - Studies pharmaceutical distribution and payment system
  - Makes recommendations
  - Develops action plans based on recommendations (for example, imposing upper payment limits)

Source: *https://nashp.org/maryland-passes-nations-first-prescription-drug-affordability-board-legislation/*

Affordability Review Boards



ME: Established Prescription Drug Affordability Board to determine annual spending targets for prescription drugs purchased by public payers. The board will also determine methods public payers can use to meet spending targets including: negotiating rebate amounts; changing formularies; and bulk purchasing.

MD: Established Prescription Drug Affordability Board to study the pharmaceutical distribution and payment system, as well as policy options used by other states and countries to lower the list price of pharmaceuticals. The board may set upper payment limits if it finds that it is in the best interest of the state.

nashp.org/rx-legislative-tracker-2019/

Anti-Price Gouging

- MD only state to pass legislation: struck down in court
  - Requires manufacturers to justify price increases to the Attorney General
  - Gives AG the ability to seek civil penalties and levy fines for "unconscionable" increases

EXAMPLE: Michigan Outcomes-Based Drug Payments

- Medicaid waiver approval to negotiate Medicaid drug prices based on how well the medications work for patients
- Manufacturers required to provide supplemental rebates if drugs fail to meet performance standards
- OK was the first state to receive federal approval of a value-based prescription drug payment program

http:www.healthcarevaluehub.org/advocate-resources/drug-spending///

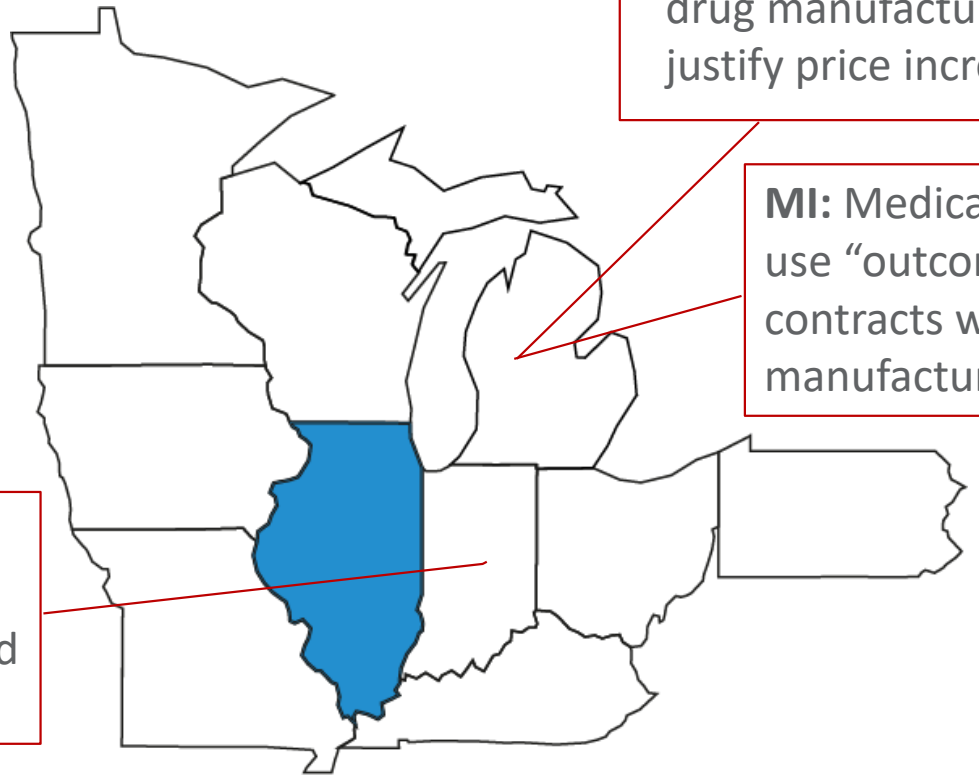
Drug Manufacturers: Other State Strategies

- Volume Purchasing/Subscription (Netflix) – LA and WA for hepatitis C drugs
- Allow importation from Canada (FL, VT, ME, CO)
- Encourage Federal Action!

Drug Manufacturers: What Nearby States are Doing

MI: introduced legislation requiring drug manufacturers to justify price increases

MI: Medicaid waiver to use "outcomes based" contracts with manufacturers



IN: mandates interim study on issues consumers face related to Rx pricing

www.HealthcareValueHub.org/Drug-Spending/

Drug Manufacturers: Key Federal Strategies

- Encourage competition:
  - Address FDA's backlog and streamlining the generic application process
  - Amend the Orphan Drug Act
  - Prevent "Pay for Delay" tactics
  - Enforce Risk Evaluation and Mitigation Strategy (REMS) guidelines
  - Modify patent rules (address product hopping and patent thickets)
  - Accelerate biosimilar approval
- Medicare price negotiation
- Bayh-Dole Act (march-in rights)
- Reference Pricing

March in Rights

- Prior 1980 Bayh-Dole Act, the US government retained all patent rights resulting from research it had paid for.
- Post 1980, patents on inventions developed with the use of government funds can be exclusively licensed to promote their commercialization, but the government retains the ability to “march in” if the patented technology is not made available to the public on reasonable terms.

http:www.healthcarevaluehub.org/advocate-resources/drug-spending///

Reference Pricing

- A “Reference Price” is set for select category of drugs – patient pays any difference between the drug the select and that reference price.
  - U.S. prices higher than price paid by UK (3.6x,) Japan (3.2x), Canada (4.1x)
  - Private payer experience 2013: 14% Rx savings but patient costs up 5%
- Differs from Tiered Formulary Design
- Not a stand alone approach

http:www.healthcarevaluehub.org/advocate-resources/drug-spending///

Percent who say they favor each of the following:

	DEM	IND	REP
Allowing the federal government to negotiate with drug companies to get a lower price on medications for people on Medicare	96%	92%	92%
Making it easier for generic drugs to come to market in order to increase competition and reduce costs	84%	91%	91%
Requiring drug companies to release information to the public on how they set their drug prices	84%	88%	84%
Limiting the amount drug companies can charge for high-cost drugs for illnesses like hepatitis or cancer	78%	79%	79%
Creating an independent group that oversees the pricing of prescription drugs	74%	74%	71%
Allowing Americans to buy prescription drugs imported from Canada	66%	77%	75%
Allowing Americans to buy prescription drugs from online pharmacies based in Canada	73%	68%	59%
Eliminating prescription drug advertisements	59%	59%	53%
Encouraging people to buy lower-cost drugs by requiring them to pay a higher share if they choose a similar, higher cost drug	40%	60%	57%

NOTE: Items asked of separate half samples.
SOURCE: Kaiser Family Foundation Health Tracking Poll (conducted April 17-23, 2017).

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We learned how drugs ARE priced.
How SHOULD they be priced?

Various schools of thought on how drugs should be priced

A. The “free market” always determines the “right” price

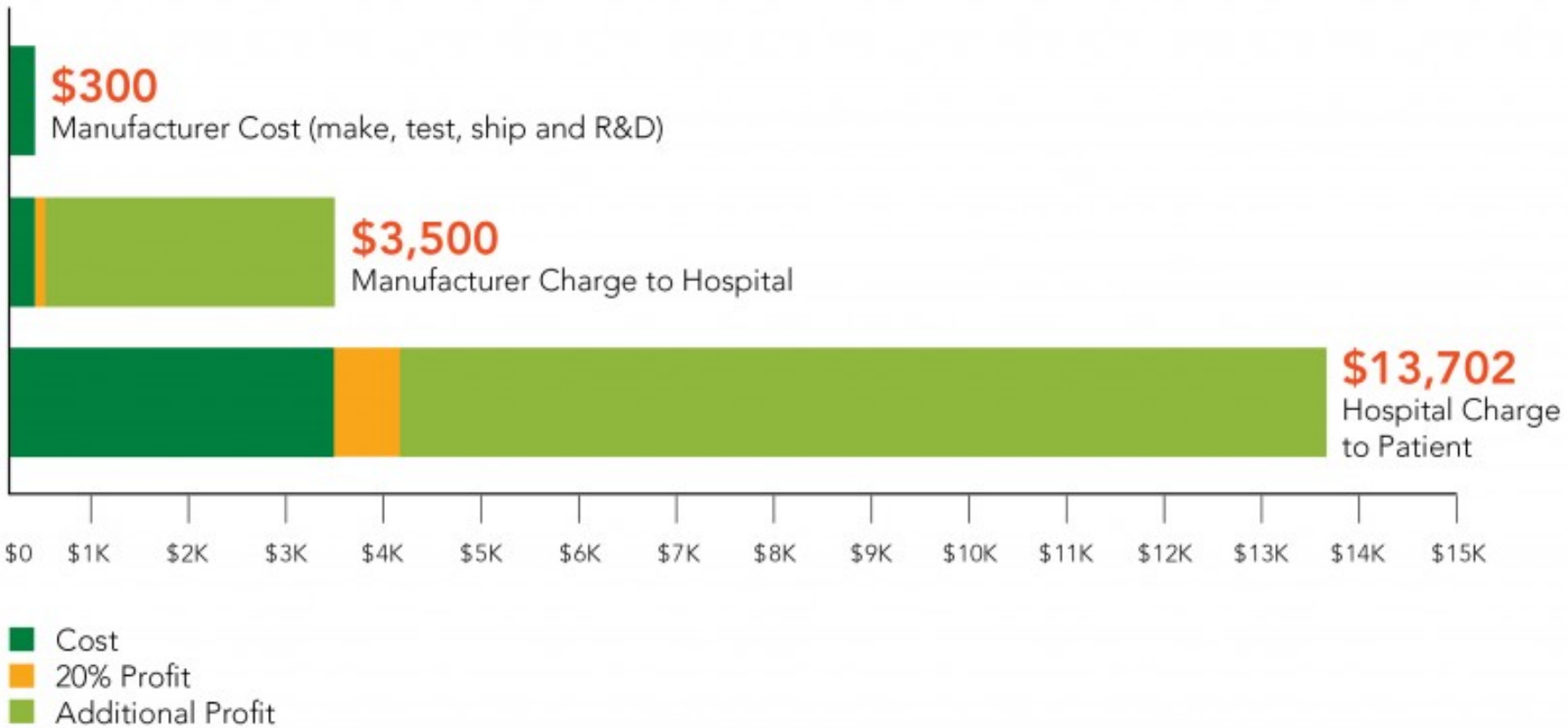
B. Price should reflect social benefit

C. Price should reflect cost to produce, plus reasonable profit, plus recoup costs for R&D

D. Consider affordability – price to maximize benefit to society

Is the Cost Reasonable?

One Dose of Cancer Drug Rituxan



Source: Steven Brill, “Bitter Pill,” Time Magazine 2013

From Value Assessment to "Value-Based Price Benchmarks"

- Step 1: Long-term cost-effectiveness
  - Price at which the cost per quality-adjusted life year gained = $100,000-$150,000

- Step 2: Potential short-term budget impact
  - 5-year potential uptake if "unmanaged"
  - Annualized NET potential budget impact
  - How much added cost should serve as an "alarm bell" for affordability?
    - Cost contributing to health care costs > anticipated growth in GDP + 1%
    - For 2015-2016: $904 million per year for each new drug

Source: http://icer-review.org/wp-content/uploads/2016/02/Slides-on-value-framework-for-website-v4-13-16.pdf

From Value Assessment to "Value-Based Price Benchmarks"

	Price to Achieve $100K/QALY	Price to Achieve $150K/QALY	Max Price at Potential Budget Impact Threshold
PCSK9 Drugs ***List price $14,350***	*$5,404*	*$7,735*	*$2,177*
Entresto ***List price $4,560***	*$9,480*	*$14,472*	*$4,168*

Source: http://icer-review.org/wp-content/uploads/2016/02/Slides-on-value-framework-for-website-v4-13-16.pdf

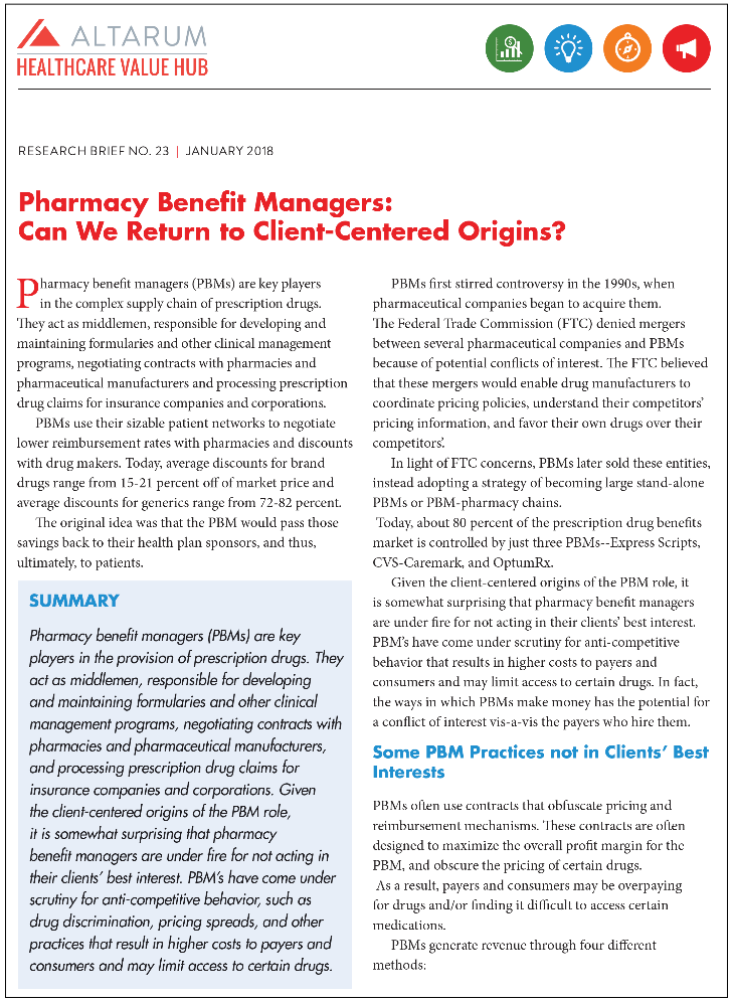
Questions?

- Use the chat box or to unmute, press *6
- Please do not put us on hold!

Solutions that Target PBMs

Pharmacy Benefit Managers (PBMs)

- Key players in the provision of prescription drugs:
  - negotiate contracts with pharmacies and drug manufacturers
  - formulary design
  - process prescription drug claims for payers



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RESEARCH BRIEF NO. 23 | JANUARY 2018

Pharmacy Benefit Managers: Can We Return to Client-Centered Origins?

Pharmacy benefit managers (PBMs) are key players in the complex supply chain of prescription drugs. They act as middlemen, responsible for developing and maintaining formularies and other clinical management programs, negotiating contracts with pharmacies and pharmaceutical manufacturers and processing prescription drug claims for insurance companies and corporations.

PBMs use their sizable patient networks to negotiate lower reimbursement rates with pharmacies and discounts with drug makers. Today, average discounts for brand drugs range from 15-21 percent off of market price and average discounts for generics range from 72-82 percent.

The original idea was that the PBM would pass those savings back to their health plan sponsors, and thus, ultimately, to patients.

SUMMARY

Pharmacy benefit managers (PBMs) are key players in the provision of prescription drugs. They act as middlemen, responsible for developing and maintaining formularies and other clinical management programs, negotiating contracts with pharmacies and pharmaceutical manufacturers, and processing prescription drug claims for insurance companies and corporations. Given the client-centered origins of the PBM role, it is somewhat surprising that pharmacy benefit managers are under fire for not acting in their clients' best interest. PBM's have come under scrutiny for anti-competitive behavior, such as drug discrimination, pricing spreads, and other practices that result in higher costs to payers and consumers and may limit access to certain drugs.

PBMs first stirred controversy in the 1990s, when pharmaceutical companies began to acquire them. The Federal Trade Commission (FTC) denied mergers between several pharmaceutical companies and PBMs because of potential conflicts of interest. The FTC believed that these mergers would enable drug manufacturers to coordinate pricing policies, understand their competitors' pricing information, and favor their own drugs over their competitors'.

In light of FTC concerns, PBMs later sold these entities, instead adopting a strategy of becoming large stand-alone PBMs or PBM-pharmacy chains.

Today, about 80 percent of the prescription drug benefits market is controlled by just three PBMs--Express Scripts, CVS-Caremark, and OptumRx.

Given the client-centered origins of the PBM role, it is somewhat surprising that pharmacy benefit managers are under fire for not acting in their clients' best interest. PBM's have come under scrutiny for anti-competitive behavior that results in higher costs to payers and consumers and may limit access to certain drugs. In fact, the ways in which PBMs make money has the potential for a conflict of interest vis-a-vis the payers who hire them.

Some PBM Practices not in Clients' Best Interests

PBMs often use contracts that obfuscate pricing and reimbursement mechanisms. These contracts are often designed to maximize the overall profit margin for the PBM, and obscure the pricing of certain drugs.

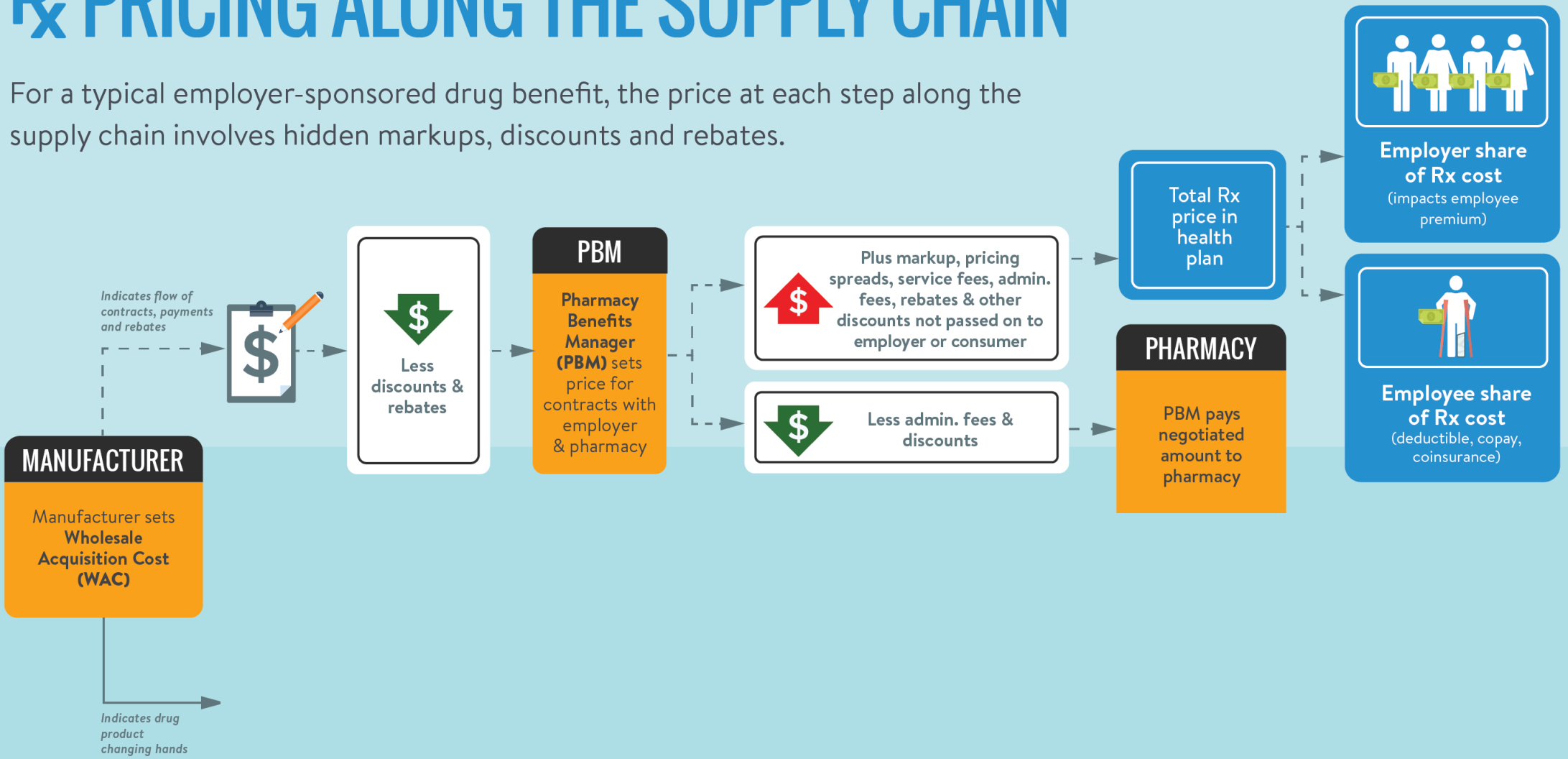
As a result, payers and consumers may be overpaying for drugs and/or finding it difficult to access certain medications.

PBMs generate revenue through four different methods:

www.HealthcareValueHub.org/Drug-Spending/

Rx PRICING ALONG THE SUPPLY CHAIN

For a typical employer-sponsored drug benefit, the price at each step along the supply chain involves hidden markups, discounts and rebates.



How PBMs Impact Price

Term	Definition
Price Spread	Price difference between what a PBM pays a pharmacy for a prescription drug and what it charges the health plan sponsor.
Rebate	An incentive payment made by a drug manufacturer, to a drug wholesaler or other payer such as a PBM based on how much the entity increases the market share or actual “sales” of a drug.
Formulary Design	List of drugs covered by insurance or PBM in a drug benefit plan. Products listed on a formulary are covered for reimbursement at varying levels.
Gag Clauses*	Provisions in pharmacy contracts that bar pharmacists from telling patients when the cash price of a drug is less than the copay.

*A 2018 Federal Law now prohibits most

PBM Concerns

- Rebate savings not passed onto consumers
- Spread pricing
- Formulary design
- Pharmacist gag clauses (Medicaid)
- PBM consolidation
- Lack of fiduciary responsibility

Opaque contracts!

How PBMs Make Money

TRADITIONAL MODEL

- "Sharing" Rebates
- Secret "Other Monies"
- Excluding certain Brands or Specialty

- Spread
- Reclassify Generics as Brands
- Switch NDCs
- Clawbacks
- Backdoor Fees
- Zero Balance Due Claims
- "Guaranteed" Discounts

- Waived Copays
- Refill Creep
- Package Size Billing
- Repackaging
- Waste

PASS-THROUGH MODEL

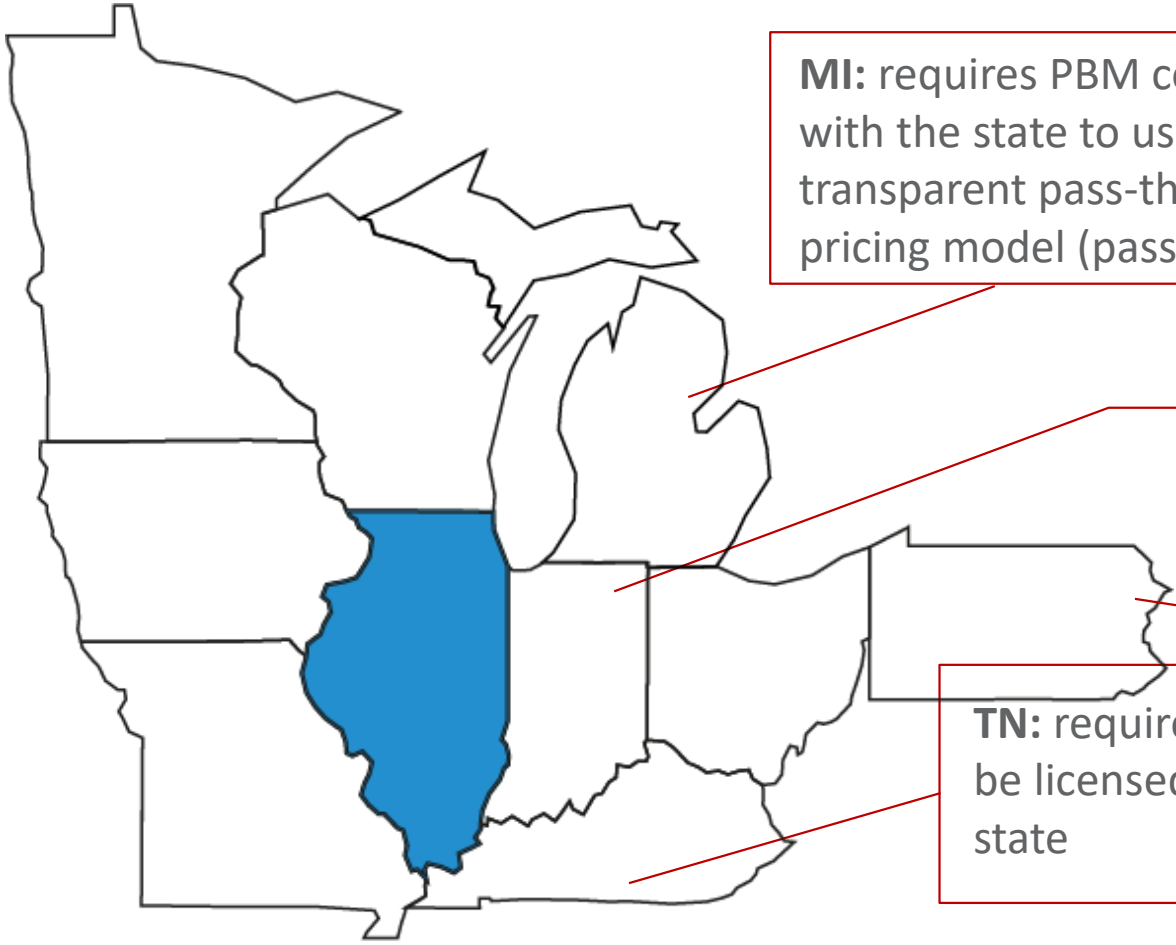
Adapted from information credited to George Hill | (+1) 212 250-2177 | george.hill@db.com
February 24, 2016

southernscripts

PBMs: Key State Strategies

- Require PBMs to be licensed by the state
- Prevent PBMs from charging plans/consumers more than what a pharmacy paid
- Require PBMs to report pricing and rebate information
- Ensure pharmacists not gagged with respect to Medicaid

PBMs: What Nearby States are Doing



MI: requires PBM contracting with the state to use a transparent pass-through pricing model (passed House)

IN: interim study on regulation and practices of PBMs (passed Senate)

TN: requires PBMs to be licensed by the state

PA: legislation to cap 30-day supply for one specialty drug at $100

www.HealthcareValueHub.org/Drug-Spending/

Questions?

- Use the chat box or to unmute, press *6
- Please do not put us on hold!

What can advocates do?

- Stephani Becker, Associate Director for Healthcare Justice at the Shriver Center on Poverty Law. Steering Committee member of Protect Our Care IL
- Work on health policy, data analysis, advocacy and trainings on a range of health care issues, including the Affordable Care Act (ACA) and access to public benefits.
- Fun fact – first time dog mom to Bernedoodle puppy, Gus.

What is Protect Our Care—Illinois (POCIL)?

- POCIL is a statewide coalition of health care advocates, providers, consumers, and workers, joining together to prevent the repeal of the Affordable Care Act (ACA), prevent disastrous changes to Medicaid, and protect and expand access to quality affordable health care. We know the crusade to undermine the ACA is not over whether there is a repeal vote this week, next week, or next year, so Protect Our Care – Illinois invites you to join Illinoisans across the state to defend access to quality affordable health care for all.

PROTECT OUR CARE IL


Shriver
Center on
Poverty
Law


LEGAL COUNCIL
FOR HEALTH JUSTICE


HEARTLAND ALLIANCE
ENDING POVERTY


CHICAGO COALITION
FOR THE HOMELESS


Citizen
ACTION
ILLINOIS


AIDS
FOUNDATION
OF CHICAGO


THRESHOLDS
HOME | HEALTH | HOPE


ACCESS
LIVING


INDIVISIBLE
ILLINOIS


ICIRR
ILLINOIS COALITION
FOR IMMIGRANT AND
REFUGEE RIGHTS


HEALTHY
ILLINOIS


Ever
Thrive
Illinois
Champions for
Healthy Communities


SEIU Healthcare
Illinois, Indiana, Missouri, Kansas
United for Quality Care


Planned
Parenthood
Care. No matter what.
Planned Parenthood of Illinois


Health & Medicine
POLICY RESEARCH GROUP

Prescription Drug Affordability

PROTECT OUR CARE IL

The rising cost of medications is a Problem in Illinois.

- 27% of Illinoisans could not fill a prescription they needed because it cost too much.
- 94% of Illinoisans think this is an urgent problem and that the government should step in to help now to keep prices low.
- Humira, a common medication for arthritis and Crohn's disease:
  - Cost in January 2012: $1,940
  - Cost in December 2017: $4,338

PROTECT OUR CARE IL

Ways POCIL is fighting to reduce prescription drug costs:

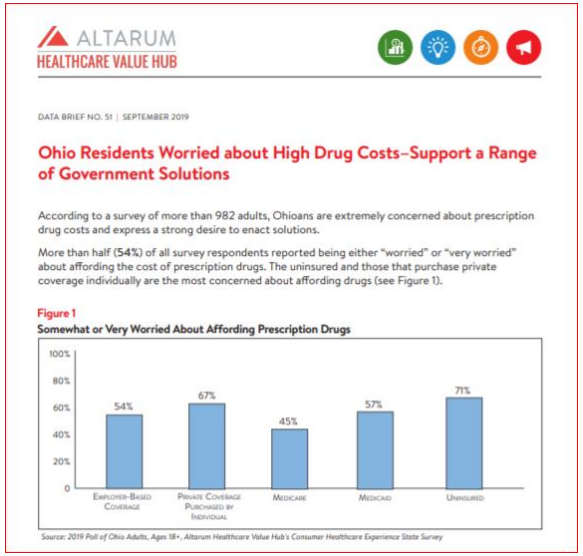
- Working toward the creation of a new Prescription Drug Affordability Board (PDAB) to determine how best to make prescription drugs more affordable for all Illinoisans, including by:
  - Examining the entire drug supply chain, including the role of drug manufacturers and Pharmacy Benefits Managers;
  - Establishing payment limits for expensive drugs that create significant affordability problems for Illinoisans.
- POCIL recently worked to successfully pass SB 667, which caps the amount Illinoisans must pay for insulin each month. Governor Pritzker signed this bill into law on Jan 24, 2020.

PROTECT OUR CARE IL

Consumer Healthcare Experience Illinois State Survey

- Altarum's Consumer Healthcare Experience State Survey (CHESS) is designed to provide reliable, state-level estimates that convey respondents' unbiased views on a wide range of health system issues such as: **affordability, costs and insurance coverage, and attitudes towards policy change and personal actions.**

- Illinois Release date – February 24th. Stay tuned!



ALTARUM
HEALTHCARE VALUE HUB

DATA BRIEF NO. 51 | SEPTEMBER 2019

Ohio Residents Worried about High Drug Costs–Support a Range of Government Solutions

According to a survey of more than 982 adults, Ohioans are extremely concerned about prescription drug costs and express a strong desire to enact solutions.

More than half (54%) of all survey respondents reported being either "worried" or "very worried" about affording the cost of prescription drugs. The uninsured and those that purchase private coverage individually are the most concerned about affording drugs (see Figure 1).

Figure 1
Somewhat or Very Worried About Affording Prescription Drugs

Source: 2019 Poll of Ohio Adults, Ages 18+, Altarum Healthcare Value Hub's Consumer Healthcare Experience State Survey

How can you help in the fight to protect health care for Illinoisans?

- Sign on to support our Prescription Drug Affordability Campaign here.
- Sign up for Phone2Action to receive instructions when it is time to act: TEXT POCIL to 40649.
- Email info@protectilcare.org to be added to our listserve!
- Follow us on social media:
  - @ProtectOurCareIL – FB
  - @protectilcare –Twitter

PROTECT OUR CARE IL

Questions?

- Use the chat box or to unmute, press *6
- Please do not put us on hold!

The Hub is here to help!

Just a phone call or email away

- Monthly Research Roundup e-newsletter;
- Alerts on state news and healthcare value topics;
- Free monthly webinars on timely topics
- A product type for every user

You can sign up for our resources here:
HealthcareValueHub.org/contact/stay-connected

HDHP

Infographics
Glossaries
Easy Explainers
Research Briefs

Toolkit for State Action

What's the problem?
High Drug Prices

GLOSSARY

What drives these COSTS?

SURVEYS: *What do state residents say about this issue?*

What are other STATES doing on this topic?

What does the EVIDENCE say about the strategies?

Infographics and talking points lead to action

ALERTS on this topic delivered to your inbox

www.HealthcareValueHub.org/Drug-Spending/

Great Resources From Other Orgs

Legislative tracker: 2020 State Legislation Action to Lower Pharmaceutical Costs

Addressing Out of Control Prescription Drug Prices: Federal and State Strategies (May 2018)

Final Questions?

Contact Lynn at Lynn.Quincy@Altarum.org or any member of the Hub team with follow-up questions.

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