

Rising Prescription Drugs Costs and the Need for Price Transparency

JAN 2021



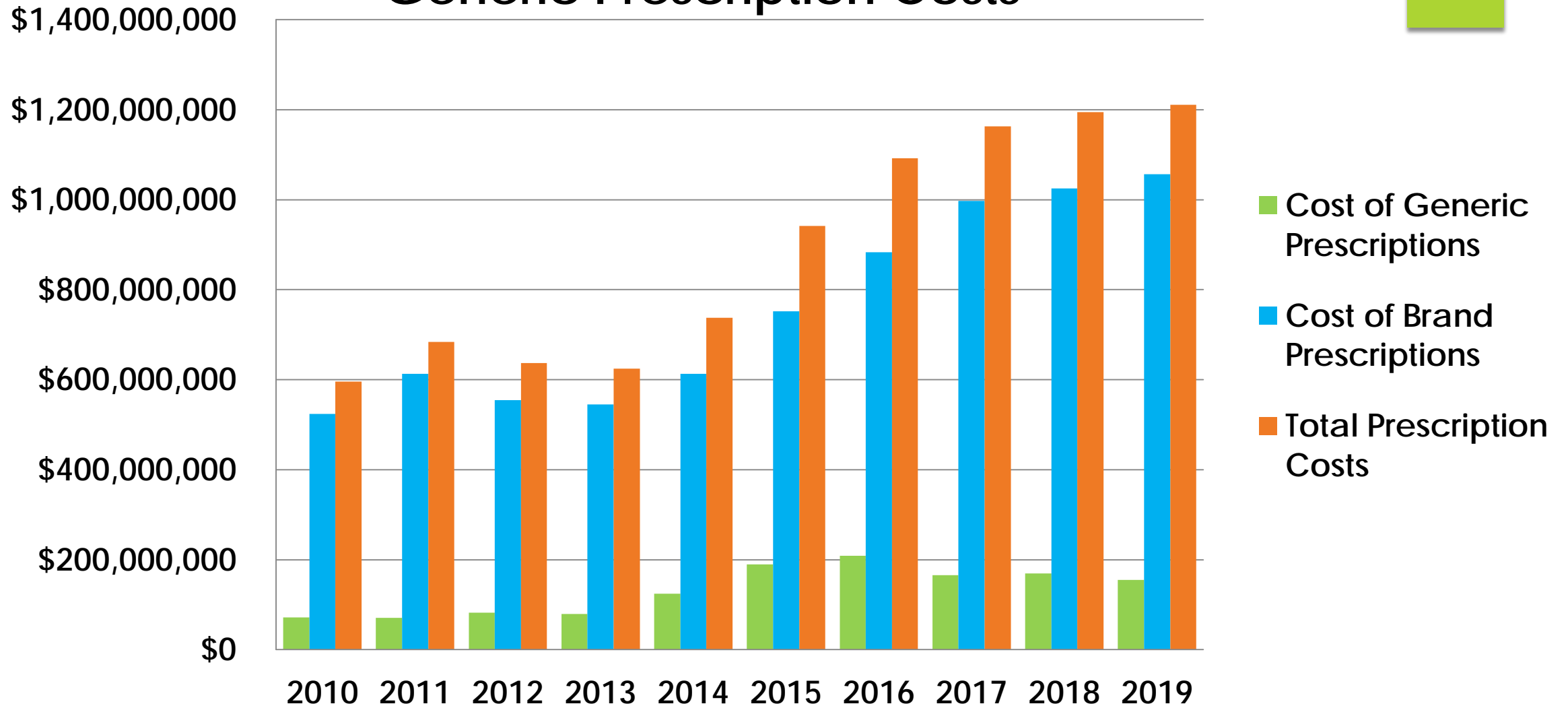
Growth in Prescription Drug Expenditures Far Outpace Other Categories in Health Care



1-<https://healthpayerintelligence.com/news/prescription-drugs-account-for-22-of-payer-premium-spending>

Michigan Medicaid Comparison of Brand and Generic Prescription Costs

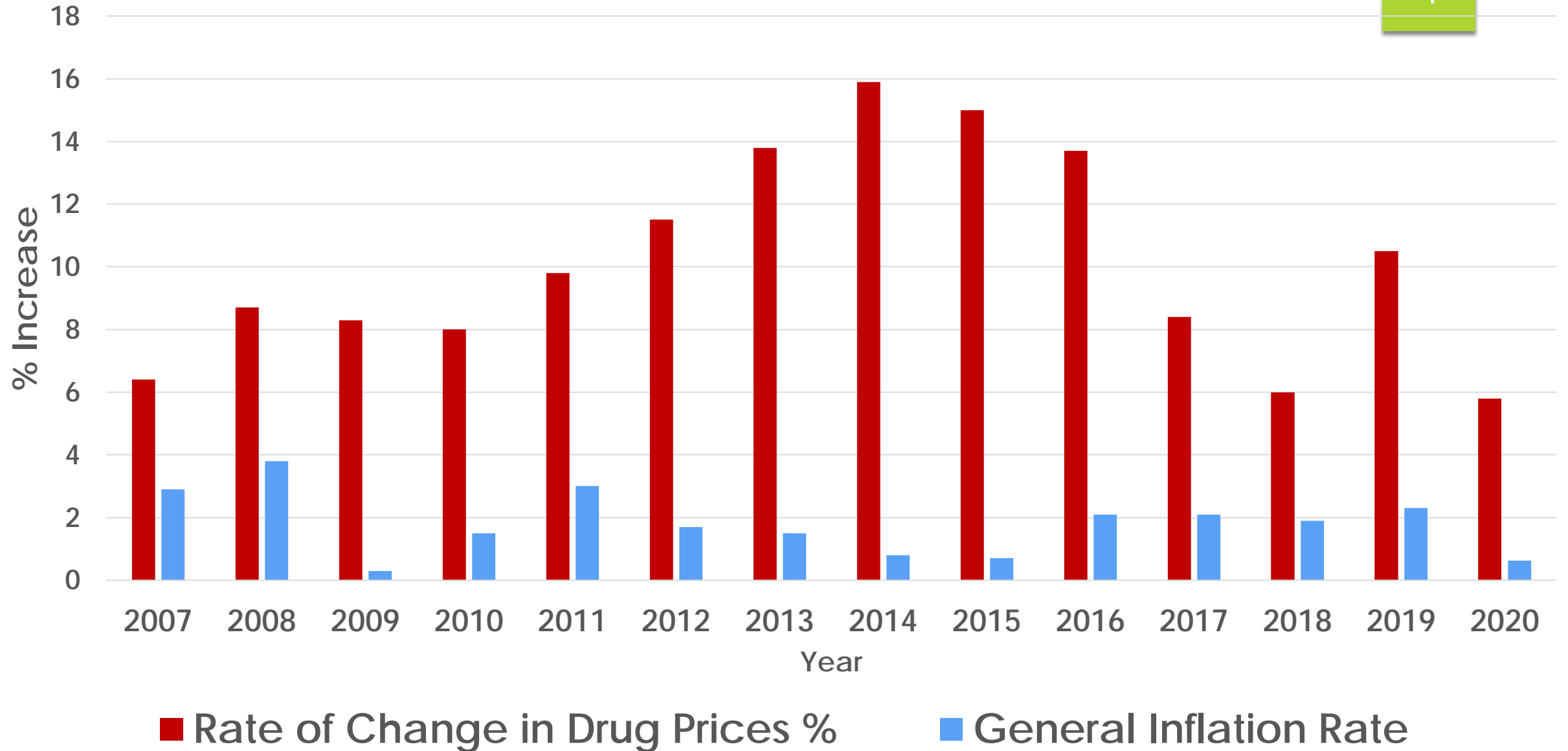
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Source: <https://www.michigan.gov/medicaid/prescription-drugs/drug-utilization-review/annual-reports/index.html>

Change in Drug Costs Compared to Inflation Rate

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Skyrocketed Drug Prices – Examples

Allergic Reaction
Medication



EpiPen (Mylan)
rose to \$600 in 2017
from \$57 in 2007

Cancer treatment drug



Gleevac **rose to \$146,000** from
\$26,000 in 2001

Insulin product
Humulin R **jumped to \$15,869**

a year in 2015
from \$2,487
per-year, a
\$13,373 increase



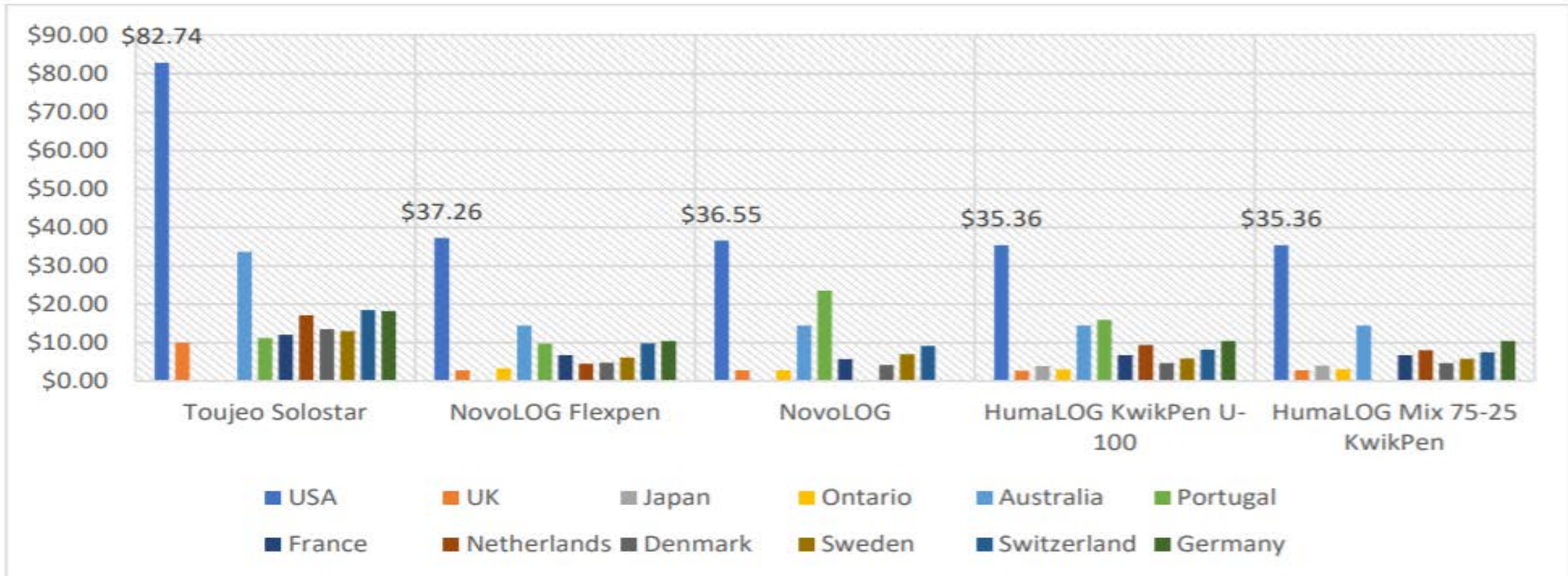
Narcotic overdose
treatment Naloxone
rose to \$4,500
in 2017 from from
\$690 in 2014



Insulin Drug Price Comparison 2018

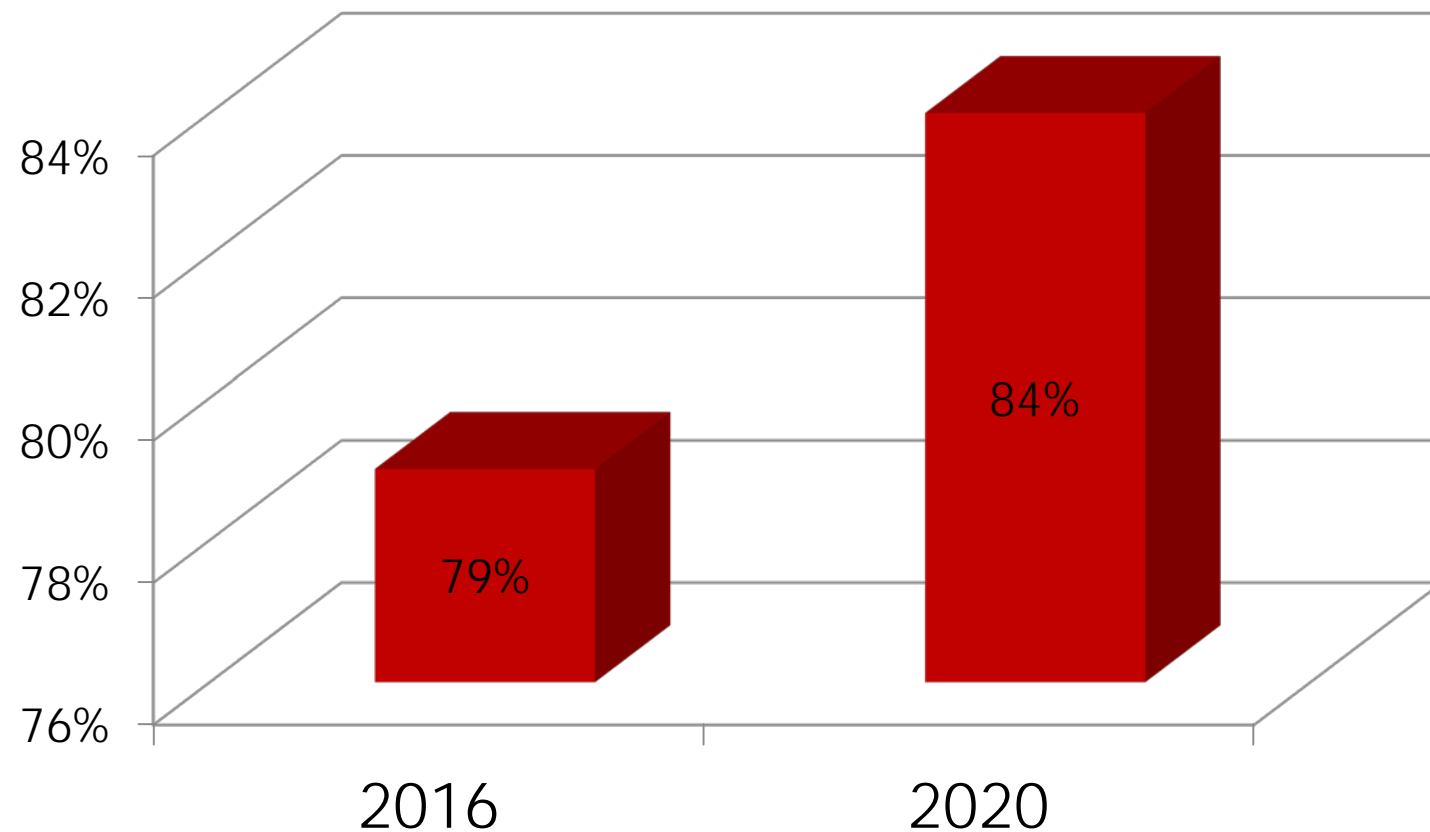
U.S. verses International Pricing

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A Painful Pill to Swallow: U.S. vs. International Prescription Drug Prices, Sept. 2019; U.S. Ways & Means Report

Support for Legislation that Would Require Drug Manufacturer Price Transparency in Michigan



■ Support

Prescription Drug Transparency Legislation

- ▶ Legislation enacted in **22 states**: California, Colorado, Connecticut, Louisiana, Maine, Maryland, Massachusetts, Minnesota, Missouri, Nebraska, Nevada, New Hampshire, New York, North Carolina, Oregon, Pennsylvania, Rhode Island, Texas, Vermont, Virginia, and Washington
- ▶ Prescription Drug Transparency legislation is also included under the European Medicines Agency (Policy 0070) which covers **33 countries**



WWW.MAHP.ORG

(517) 371- 3181

CHRISTINE SHEARER – DEPUTY DIRECTOR, OFFICE OF LEGISLATION AND ADVOCACY

KAREN A. JONAS, PHARMACIST – MAHP PHARMACY CONSULTANT