

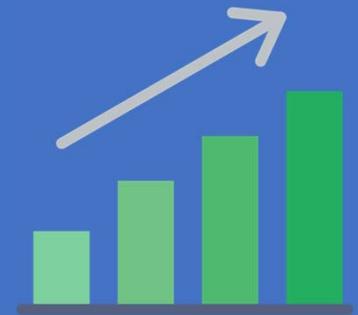
# The high cost of Rx drugs is unsustainable.

High prices strain the entire health care system, directly impacting premiums and making drugs unaffordable.



Rx drug expenditures are rising - and are projected to continue to rise faster than overall health spending. HHS previously estimated that Rx drug spending in the U.S. totaled \$457 billion in 2015, or 16.7% of overall personal health care services.

**Without action, the cost of Rx drugs will continue to rise unchecked** – further straining the health care system, burdening patients who will pay more and get less for their health care dollar.



**Spending on specialty drugs is rising faster than spending on other drugs.** Enbrel (to treat Rheumatoid Arthritis ) costs \$4k for a 30-day supply, an 80% increase since 2013. The cost of “first-generation” Multiple Sclerosis drugs tops \$60k/year, up from \$8-\$11k when the drugs were first released.

**Americans want action to ensure access to affordable medications.** A recent POLITICO-Harvard T.H. Chan School of Public Health poll indicates that 40% of people cited drug costs as the top priority out of nine issues.



#### Sources:

1. Office of the Assistant Secretary for Planning and Evaluation. Observations and trends in prescription drug spending. March 2016.
2. Campaign for Sustainable Rx Spending. <http://www.csrxp.org/>
3. Yazdany, J., Dudley, R.A., Chen, R., Lin, G.A., & Tseng, C. (2015). Coverage for High-Cost Specialty Drugs for Rheumatoid Arthritis in Medicare Part D. *Arthritis & Rheumatology*, volume 67 (6), 1474-1480. Retrieved from <http://onlinelibrary.wiley.com/doi/10.1002/art.39079/abstract>
4. Hartung, D., Bourdette, D., Ahmed, S., & Whitman, R. (2015). The cost of multiple sclerosis drugs in the US and the pharmaceutical industry: Too big to fail? *Neurology*, 10(1212), 1727-1728. <http://dx.doi.org/10.1212/WNL.0000000000001608>
5. <http://www.politico.com/story/2017/09/25/politico-harvard-poll-congress-should-focus-on-reducing-drug-prices-243109>.

# The time to act is now.

Health plans are managing Rx drug costs to keep premiums down and drugs accessible. But it's not enough. We need Congress to help.

The *CREATES Act* can lower Rx drug costs by removing barriers to competition.



**Restricts Anticompetitive Practices** - Prohibits manufacturers from interfering with eligible generic and biosimilar product developers' access to products needed for testing.



**Addresses Public Health Safety Concerns** - Ensures that companies seeking access to product samples have safety protections in place.



**Eliminates Red Tape** - Establishes an FDA-approved process for a potential generic competitor to receive brand product for clinical testing.

The *FAIR Drug Pricing Act* increases transparency about planned price increases.



**Requires Disclosure** - Drug makers must notify HHS before they increase prices by more than 10% over one year for drugs costing \$100+



**Improves Accountability** - Requires drug makers provide a reason for price increases including manufacturing costs, R&D, marketing and profits.



**No Pricing Controls** - The bill does not prohibit price increases but increases transparency by making non-confidential information public- for the first time giving taxpayers notice of price increases.