

# REFORM DRUG PRICING

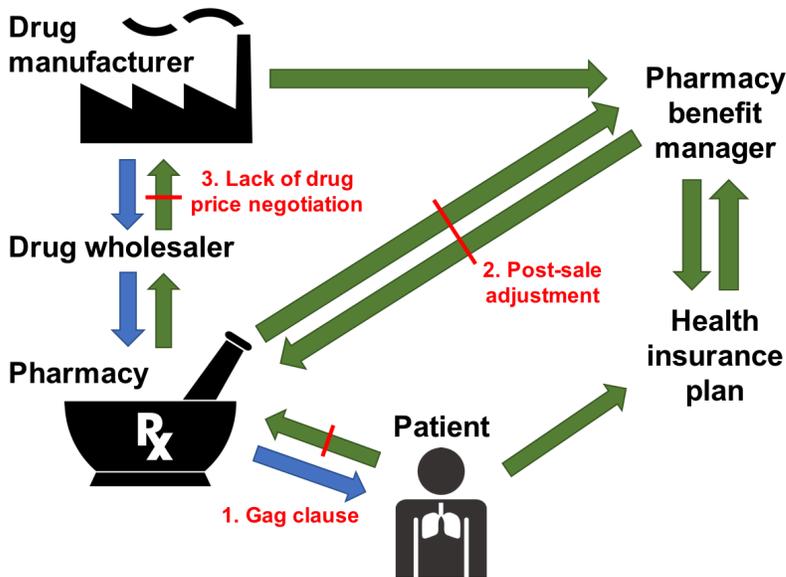
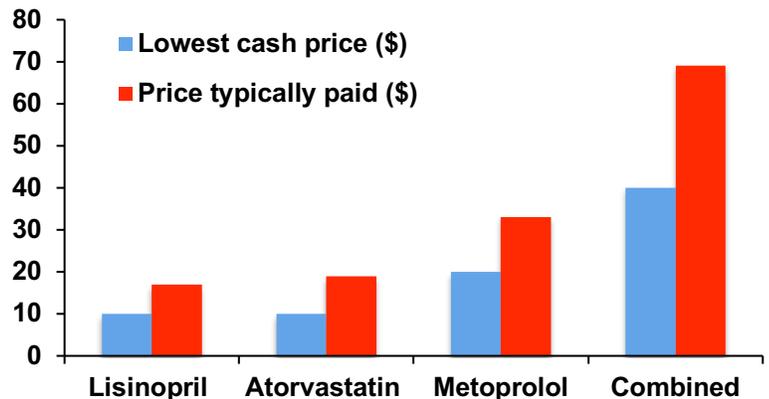
## THE PROBLEM:

Americans insured by Medicare and private insurance pay too much for their drugs.

### Example:

- One patient who had a heart attack overpays \$29 per month and \$348 per year for three generic, life-saving medications.
- For the 790,000 Americans who have a heart attack every year this results in overpayment of:

**\$274 million** per year



**Blue:** Products and services

**Green:** Money

**Red:** Laws that affect these relationships

### Why are prescription drugs so expensive?

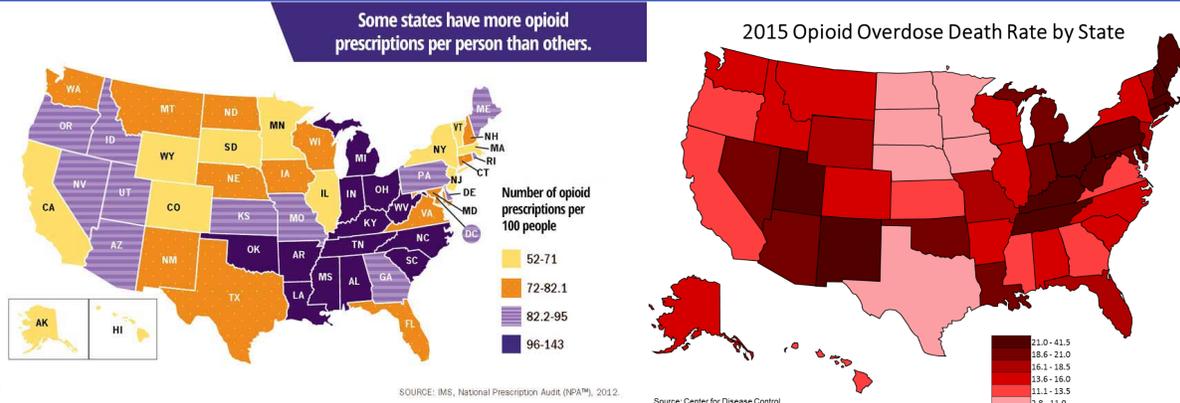
- Payment systems are complex. Federal laws make it easier for drug manufacturers and pharmacy benefit managers (PBMs) to make a profit at the expense of our patients - and your constituents.
- PBMs: Third-party administrators of prescription drug programs for insurance plans. They act as intermediaries among drug manufacturers, pharmacies, insurance plans, and patients.
- Gag clause: Forbids pharmacists from telling patients that a medication could be cheaper if they pay without going through their health insurance.
- Post-sale adjustment: After the patient buys a drug, the PBM negotiates discounts to lower the amount it reimburses for the drug. The PBM gets money back, but the patient does not.

## THE SOLUTIONS:

1. Forbid pharmacy gag clauses: 4 states (NC, CT, ND, AR) have already passed laws to do so. Please support these bills:
  - Prescription Transparency Act of 2018 (HR.5343)
  - Know the Lowest Price Act (S.2553)
  - Patient Right to Know Drug Prices Act (S.2554)
2. Increase price transparency: When drug manufacturers, PBMs, and pharmacies negotiate the price of drugs, especially after the point of sale, any savings should be public and patients should benefit from them as well.
3. The Social Security Act does not allow Medicare to negotiate drug prices. Amend this Act so that your constituents can benefit from negotiated drug prices, similar to veterans who get their care at VA.

# FROM PRESCRIPTION TO ADDICTION: ENDING THE OPIOID CRISIS

## ADDRESSING ROOT CAUSES



- Over **50%** of all opioid-related deaths are directly attributed to prescriptions and **80%** of those addicted to heroin started by using prescription medications. The majority of first-time prescriptions come from ER and Dentistry.

### **Action Item: Ensure the ongoing education of opioid prescribers:**

- **Support the “ADAPT Act of 2018,” H.R. 5581**, requiring continuing medical education (CME) for opioid prescribers, allowing for individual states to approve their own training requirements, and directing the GAO to study the impact of CME on opioid prescriptions, overdoses, and deaths associated with opioid abuse.

## ADVANCING SCIENTIFIC UNDERSTANDING

- While we absolutely must reduce the number of opiates prescribed nationwide, a rigid 3-day prescribing limit (as included in CARA 2.0) may not be appropriate.
  - Under-treatment of pain can lead to patients obtaining opioids on the street, or increase Emergency Room visits and ultimately hospital readmission rates. Rigid limits on the number of days we can prescribe may lengthen hospital stays by delaying discharge.
  - There need to be guidelines for how much or how many opiates are necessary for a given procedure, injury or disease.

### **Action Item: Implement a study on prescribing limits**

- **Support S. 2680, Sec. 501**, calling for a study of opioid prescribing limits and their impact on overdoses, opioid use disorders, and patient health outcomes and access to care.
  - We have concerns about the CARA 2.0 proposed 3-day limit for acute opioid prescriptions.

## ACCESSING TREATMENT

- Medication assisted therapy (MAT) with methadone or Suboxone prevents opioid withdrawal and addiction
- Increasing access to MAT saves lives (50% reduction in fatal opioid overdoses)
- Current limits on prescriber privileges are limiting access to MAT

### **Action Item: Support efforts to increase access to Medication-Assisted Treatment (MAT)**

- **Support CARA 2.0 Section 7**, allowing additional qualified providers to prescribe MAT and increasing the number of patients they are permitted to care for.
- **We appreciate the Committee’s support of H.R. 5202**, allowing pharmacists to dispense long-acting anti-addiction drugs to doctors for administration in the clinic.