Prescription Drugs (Rx) – Fast Facts

- More than half of all Americans use prescription drugs
- Many products, both unique and competing:
  - US Food and Drug Administration (FDA) approved (dosages; delivery method) totals over 10,000
    - Total FDA different “molecules” is 2,100 (and growing)
- 90% of prescriptions filled now are generics (2017)
- Rapid pace of new, extraordinary treatments
How much are we spending on prescription drugs?

- 10% of all health care spending went to Rx drugs = $450 billion.
  - “Net spending” calculated by industry as $323 billion
- 16.7% of overall personal health care spending went toward prescription drugs in 2015.
- 53% of that goes to brand-name prescription drugs
  - 7.6% of all drug spending is for specialty drugs ($600/month; injected or infused)
- 15% of Medicaid spending goes to prescription drugs
  - 2/3 for brand-name; 1/3 for generics
What are states doing?  Multiple Trends

State Legislation to Prohibit “Gag Clauses” Applying to Pharmacists

Enacted Laws = 29 states
(© NCSL 2018. Updated Oct. 1, 2018
See report for links to status and text)
Cost and price transparency

- California (2017) – SB 17
- Nevada (2017) – SB 539
- Vermont (2016 & 2018) – S 216 and S 92
- Connecticut (2018) – H 5384
- Oregon (2018) – H 4005
What are states doing?

- Prohibit “price gouging”
  - Maryland (2017) – H 631
- Rx importation
  - Vermont (2018) – S 175
2018-19 Additional Pharmaceutical Issues

- Step therapy/"fail first" requirements
- “Cap the copays” to limit out-of-pocket consumer costs
- Biologics Versus Biosimilars
- “Right To Try” unapproved drugs
- Allow “return and reuse”
- Value-based contracts/Reference pricing/subscription based models
November survey of senior legislative health staff

Takeaways:
- PBMs
- Transparency
- Step-therapy/Fail-first
- Alternative Payment Models
Pharmaceuticals

Drug Policy Resources Center
Prescription drugs are in the spotlight again, as state lawmakers consider measures to affect cost and access. New from NCSL: Launched in February 2018, the Prescription Drug Policy Resource Center provides access to legislative activities, research and news. Easy-to-use topics include cost and pricing, benefits and coverage, specialty drugs, brands and generics, biologics, patient access and use, as well as safety and

Biosimilars & Experimental RX
State Laws Related to Biologic Medications and Substitution of Biosimilars - NCSL's report on recent (2013-18) laws in 41 states/territories as of April 2018;

"Right to Try" Experimental Prescription Medicines State Laws and Legislation. All 50 states considered bills, with recent laws now in at least 38 states.

http://www.ncsl.org/research/health/pharmaceuticals.aspx
NCSL Rx Database

1,100 bills = 160 new laws in 2018
Thank You!

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