

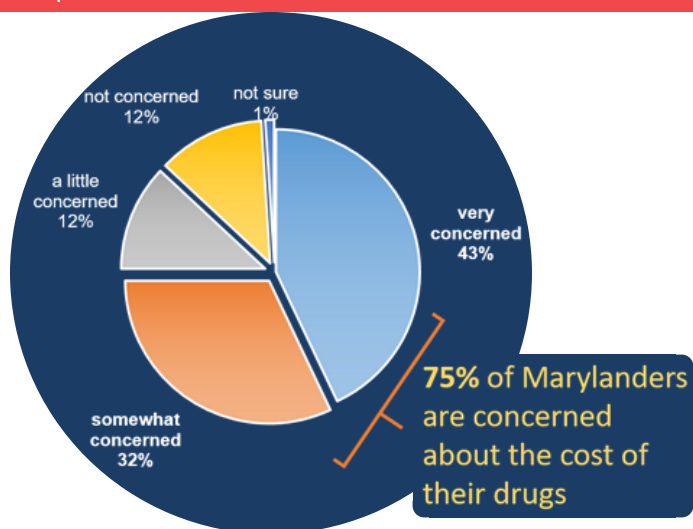
# SUPPORT SB 415/437 & HB 631/666

## Ensure Access to Affordable Medicines for all Marylanders



### SB 415/437 & HB 631/666 WILL:

- Require major drug corporations to **disclose the basis for the prices** of their prescription drugs, including how much they spend on production, research, marketing and profits
- Require major drug corporations to **provide prior public notice** if they plan on substantially increasing the price of their drugs
- Authorize the Maryland Attorney General to **take legal action to prevent price gouging** by major drug corporations.



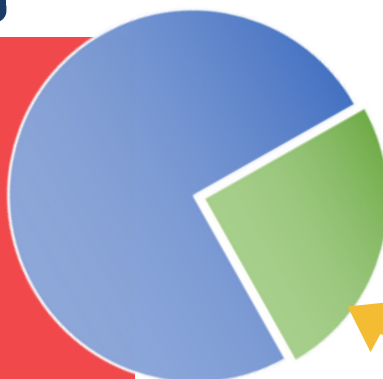
### MARYLANDERS LACK SUFFICIENT ACCESS TO AFFORDABLE DRUGS

As a state, Maryland has reduced its uninsured population down to 6.9% from 10.2% in 2013. The rapidly rising cost of prescription drugs threatens to derail the progress Maryland has made in expanding coverage.

**Accessibility means little without affordability.**

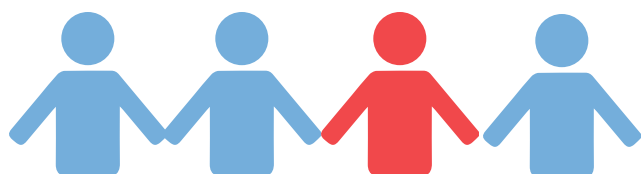
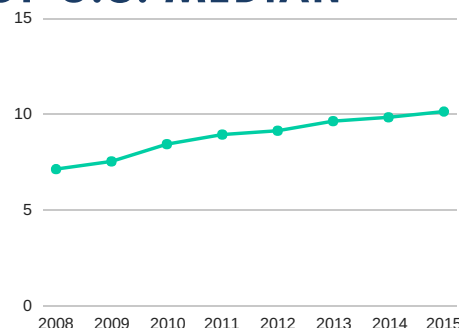
### INSURANCE PREMIUMS ARE AFFECTED BY DRUG PRICES

Insurance premiums are especially sensitive to the price of drugs. As much as 25% of the recent rise in insurance premiums is attributable to the ballooning costs of pharmaceuticals. The more that drugs cost, the more we all pay for insurance; creating a vicious cycle.



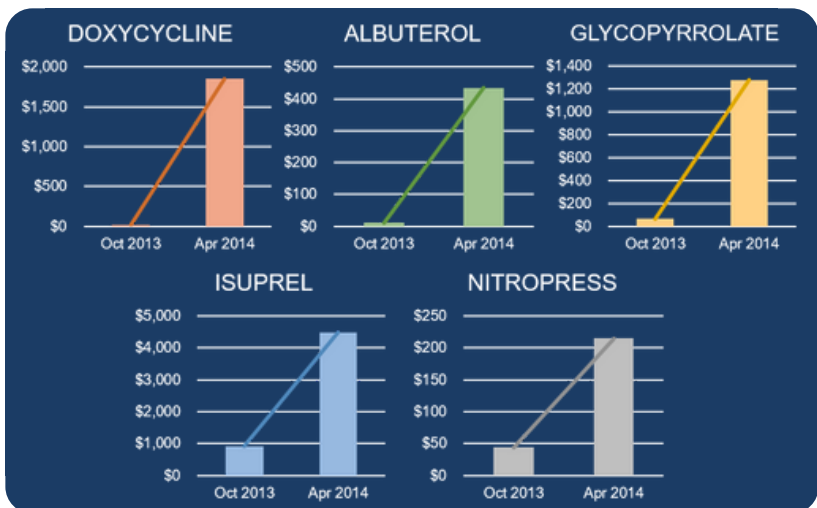
**ALMOST A QUARTER OF THE RISE IN INSURANCE PREMIUMS IS DUE TO BALLOONING PRESCRIPTION DRUG COSTS**

### INSURANCE PREMIUMS & DEDUCTIBLES AS A PERCENT OF U.S. MEDIAN INCOME



Despite increased coverage, almost **1 in 4 Americans** cannot afford their prescription drugs

# SUPPORT SB 415/437 & HB 631/666



## GENERIC DRUG PRICES CONTINUE TO RISE

Maryland patients are grappling with sky-rocketing price tags for medications that treat both acute and chronic diseases, such as diarrhea, asthma, diabetes, and Hepatitis C.

Doxycycline, an essential antibiotic, rose over 8,000% over 6 months, while albuterol, a medication for asthma, rose from \$11 in October 2013 to \$434 by April 2014.



## HB 631/SB 415: AGAINST PRICE-GOUGING FOR ESSENTIAL GENERICS

Requires the Maryland Medical Assistance Program to notify the manufacturer and the Attorney General of a specified increase in the price of the essential generic drug under specified circumstances

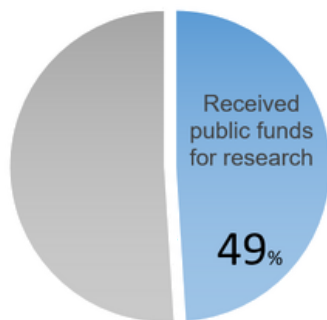
Prohibits a manufacturer or wholesale distributor from engaging in price gouging and requires submission of a statement to the Attorney General within 20 days after notice

## price gouge \ˈprɪs ˈɡɑʊj\

noun

:the act of when a seller spikes the prices of goods, services, or commodities to a level much higher than what is considered reasonable or fair, and is considered

**exploitive**



From 1988-2005, 49% of all drugs and 65% of the most medically important "priority review" drugs received public research funding

## HB 666/SB 437: PRICE TRANSPARENCY & NOTIFICATION

- Requires the manufacturers of drugs costing >\$2500/course to file an annual report with the Secretary of Health & Mental Hygiene, disclosing the cost of research & development, production, marketing, etc; and to file a notice with the Secretary before increasing the price of a drug by 10% annually or 15% over two years
- Establishes the Drug Price Transparency Advisory Committee

**Patients and taxpayers have the right to know how and why drugs are priced to ensure a return on our public investment.**

### References:

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