

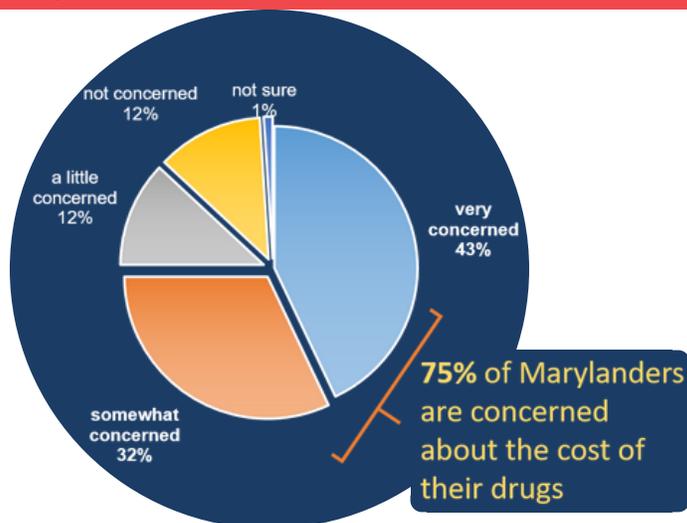
SUPPORT SB 415/437 & HB 631/666

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.

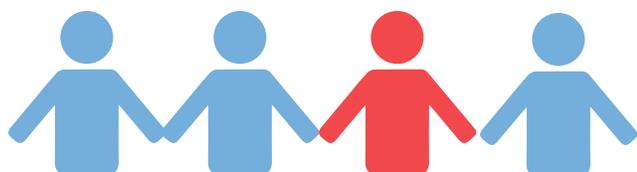
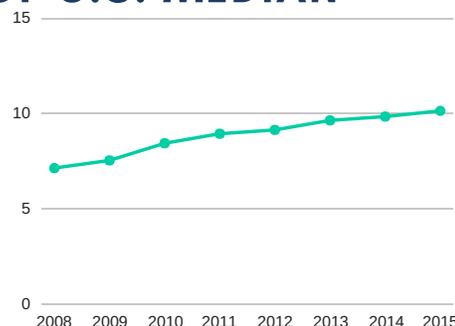
INSURANCE PREMIUMS ARE AFFECTED BY DRUG PRICES

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.



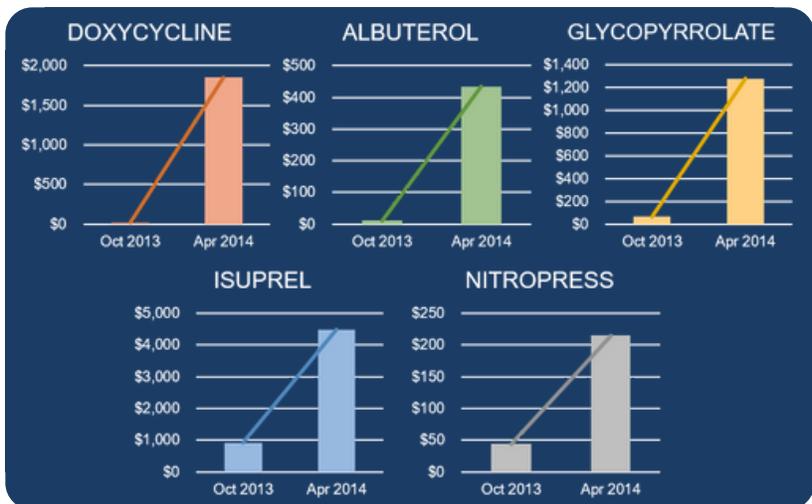
ALMOST A QUARTER OF THE RISE IN INSURANCE PREMIUMS IS DUE TO BALLOONING PRESCRIPTION DRUG COSTS

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

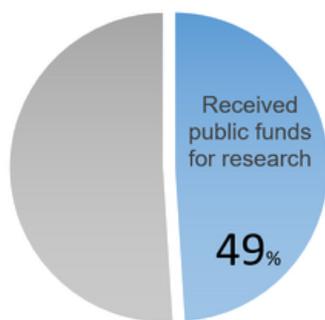
Prohibits a manufacturer or wholesale distributor from engaging in price gouging and requires submission of a statement to the Attorney General within 20 days after notice

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.

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