

**TIME FOR AFFORDABILITY**

FOCUS ON

# PHARMACY COSTS

**D**rug companies are pushing the limits on prescription drug prices across the board. Six-figure price tags on old and new drugs have become commonplace, specialty drugs and generic drugs see similar pricing jumps and prices for orphan drugs regularly reach above \$300,000. This dangerous trend has already cut into state budgets and, if it continues unchecked, will threaten health care affordability for everyone.

Still, policymakers have little information about why drug prices are so high. In order to begin addressing the drug pricing crisis, we need to end the information vacuum and bring the pharmaceutical industry's pricing tactics into the light.

## DRUG PRICES ON THE RISE

The average price of a specialty drug now exceeds the median U.S. household income.

**\$52,250**  
PER YEAR



VS.



**\$53,384**  
PER YEAR



From 2008 to 2016,  
the average price for brand name  
drugs increased

**200%**



In 222 generic  
drug groups,  
price  
increases  
doubled  
between  
2013-2014.



## THE TRUTH ABOUT RESEARCH & DEVELOPMENT COSTS

It's commonly believed that high-priced drugs are so expensive because research and development costs are high, but that's not the full story:

**Taxpayers Support R&D**  
**NEARLY HALF**  
OF R&D COMES FROM:



**National  
Institutes of  
Health**



**State  
and Local  
Governments**



**Academic  
Institutions**



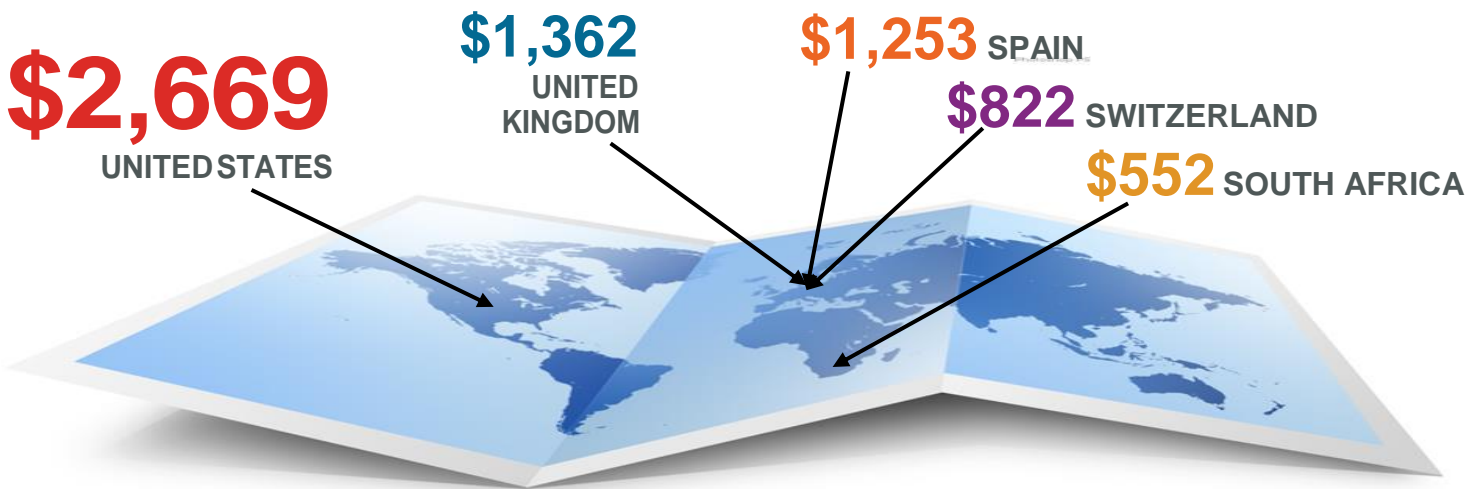
**Research  
Hospitals**



**Charitable  
Organizations**

# U.S. Prescription Prices Soar Above the Rest of the World

The monthly price for the generally prescribed arthritis drug, Humira, varies widely based on which country the patient is located in – with the U.S. far out-pacing all others.



**How can one drug be 500 percent more expensive in the United States?**

Steep increases on vital prescriptions are hurting New Yorkers from all walks of life. From the state capitol to the family dinner table, unexplained and exorbitant price increases on vital medications are causing unnecessary strain. With drug companies setting the prices based on what they think the market will bear, New Yorkers are coming in last.

**It's time we put our residents first and get to work addressing prescription drug prices to help make affordable health care for all a reality.**

**The New York Health Plan Association supports Governor Cuomo's Executive Budget proposals that would cap prescription drug prices and capture excess pricing profits in both Medicaid and commercial markets.**