

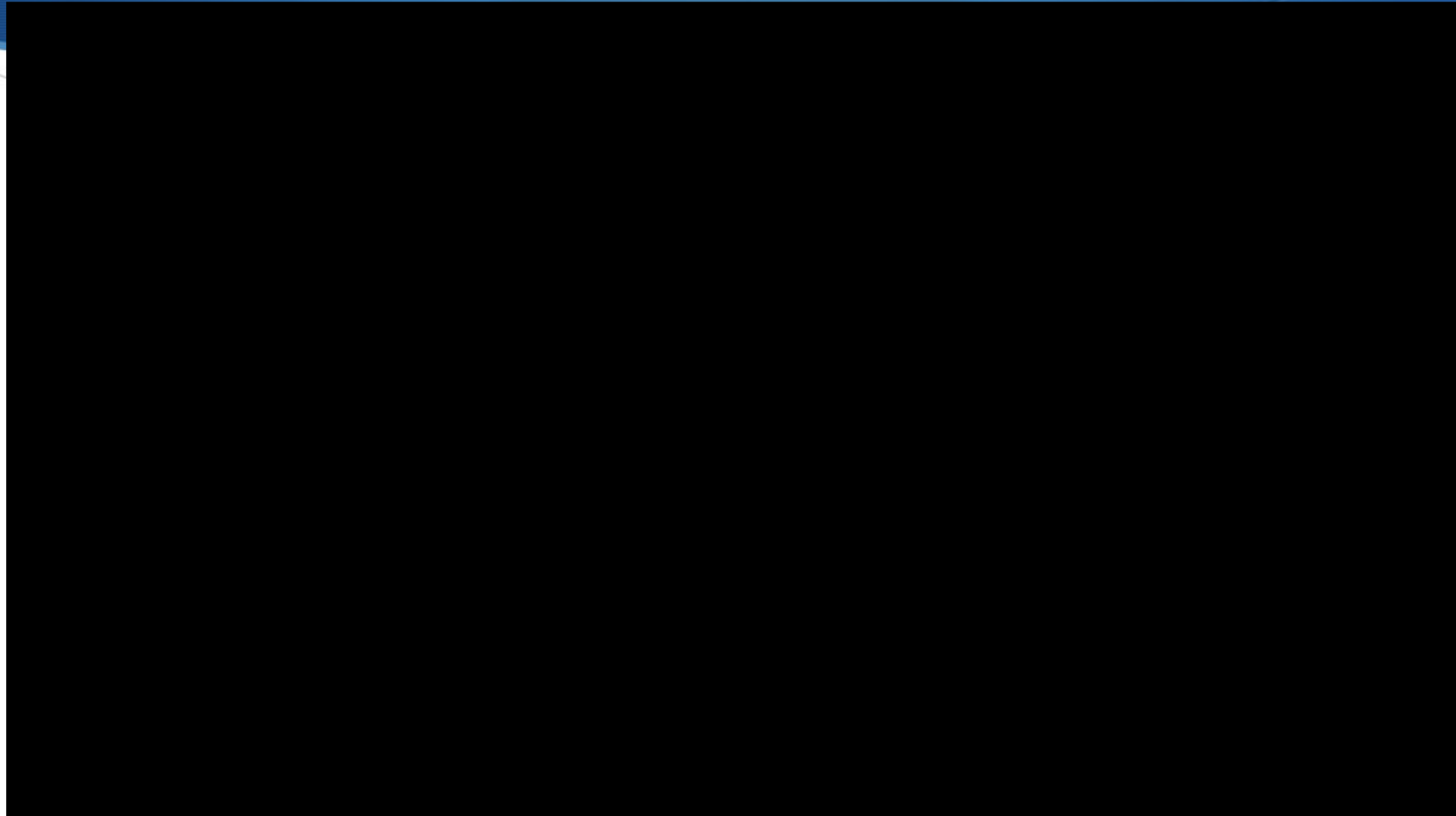
# Prescription Drug Affordability

Drugs Don't Work if People Can't Afford them!

Vincent DeMarco  
Maryland Citizens' Health Initiative  
Maryland Health Care for All! Coalition  
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# The Six Steps



# Recent Rx Success

- **Banned “Gag Rules” on Pharmacists**
- **Anti-price gouging measure**
  - **\*\*Granted the Attorney General the authority to hold pharmaceutical corporations accountable for “unconscionable” increases in the prices of generic or off-patent drugs**
  - **Has been ruled unconstitutional but AG is appealing to the Supreme Court**

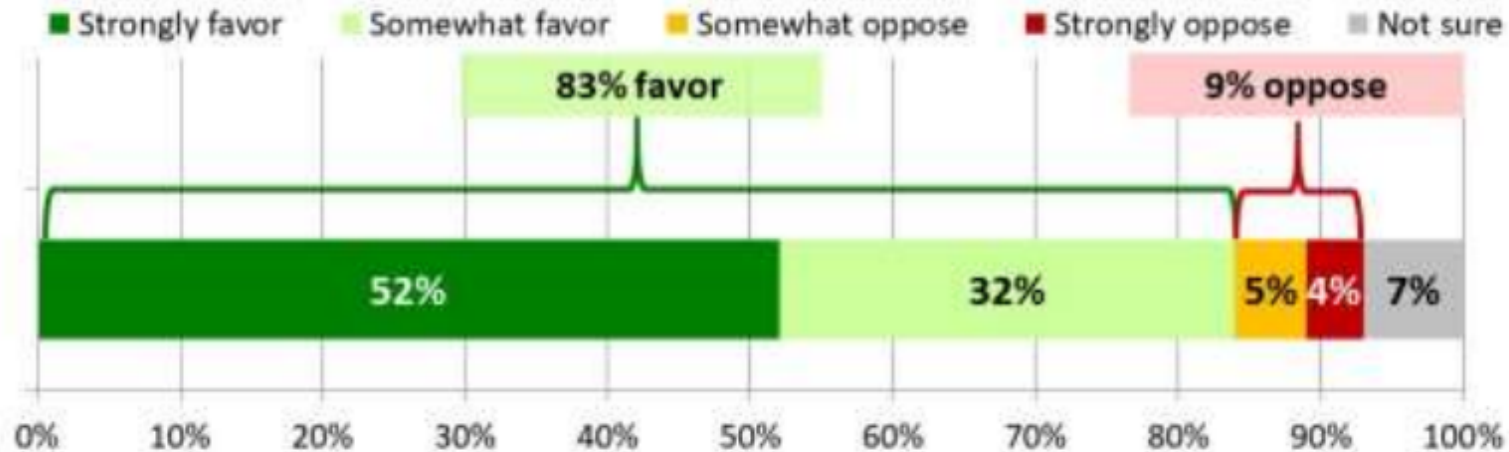
# Step 1: Create a Plan

## **The Prescription Drug Affordability Board would:**

- ◆ Establish payment rates for expensive drugs that create significant affordability problems
- ◆ Examine the entire drug supply chain

# Step 2: Poll

## Prescription Drug Cost Review Commission




"There are several other proposals intended to protect consumers against high prescription drug costs in Maryland. I would like to read you three of them and ask your opinion. For each one, please tell me if you would strongly favor, somewhat favor, somewhat oppose, or strongly oppose it..."

**"Create a Maryland Prescription Drug Cost Review Commission in Maryland to examine the evidence and establish acceptable costs for drugs."**



# Step 3: Build a Coalition



2600 ST. PAUL STREET BALTIMORE, MD 21218 P: (410) 235-9000 F: (410) 235-9063 WWW.HEALTHCAREFORALL.COM

MARYLAND CITIZENS' HEALTH INITIATIVE

## Prescription Drug Affordability Initiative

**WHEREAS**, to protect our lives and our well-being, every family in Maryland requires access to affordable prescription drugs;

**WHEREAS**, skyrocketing costs are making some medicines virtually inaccessible to our families and neighbors;

**WHEREAS**, overall drug prices increased almost 9% in 2016 while general inflation increased just over 2% in the same period, and since 2013 drug prices have risen an average of 10% annually but inflation has only increased 1.2% on average since 2013;

**WHEREAS**, prescription drug spending accounted for over 22% of each health insurance premium dollar in 2014, and nearly a quarter of people in their deductible period never picked up their prescriptions from the pharmacy, presumably because of the cost;

**WHEREAS**, over half of Medicare beneficiaries who did not fill at least one prescription reported prohibitive costs as the reason, and that nonadherence results in an estimated \$100-\$300 billion of avoidable health care costs annually;

**WHEREAS**, Maryland should continue to lead the Nation in addressing the affordability of prescription drugs, building on the State's landmark 2017 legislation banning price gouging by manufacturers of generic and off-patent drugs;

**THEREFORE, BE IT RESOLVED** that the undersigned organization supports creating a new Drug Cost Commission to determine how best to make prescription drugs more affordable for Marylanders, including by: examining the entire drug supply chain, including the role of Pharmaceutical Benefit Managers (PBMs), and establishing payment rates for expensive drugs that create significant affordability problems for Marylanders, building upon Maryland's successful tradition of health care cost scrutiny.

Organization: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Phone Number: \_\_\_\_\_ (o) \_\_\_\_\_ (c) Email: \_\_\_\_\_  
 Representative (Print Name): \_\_\_\_\_  
 Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Please mail, fax, or email completed form to:  
 Maryland Citizens' Health Initiative, 2600 St. Paul St., Baltimore, MD 21218  
 Fax: 410-235-9963; Email: [cahering@healthcareforall.com](mailto:cahering@healthcareforall.com)  
 Or fill it out ONLINE at: [healthcareforall.com/Resolution](http://healthcareforall.com/Resolution)



# Step 4: Media



**Doctor: high drug pricing kills patients**

**The Washington Post**  
*Democracy Dies in Darkness*

**Maryland weighs new approach to curbing prescription drug costs**



**Maryland Lawmakers Host Town Halls to Lower Costs of Prescription Drugs**



# Step 5: Election Issue

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## KNOW **BEFORE YOU GO**

Visit [healthcareforall.com/knowbeforeyovote](https://healthcareforall.com/knowbeforeyovote) to learn if your candidates support prescription drug affordability.





# Step 5: Election Issue



## **Senator Kathy Klausmeier is helping lead the fight to lower prescription drug prices.**

State Senator Kathy Klausmeier was one of the sponsors of the new Maryland law to allow the Attorney General to fight price gouging by pharmaceutical manufacturers and marketers and she was the chief sponsor of the “anti-gag rule” legislation that now ensures that pharmacists are free to tell customers how they can pay less for their drugs.

Furthermore, Senator Klausmeier is a leader in the fight for new state legislation to create a Prescription Drug Affordability Board, which would directly address the problem of overpriced medicines.

*“Kathy Klausmeier has the courage to lead. She won important health care battles for her constituents and has pledged to carry on the fight. If you want to lower prescription drug costs, Kathy is on your side.”*

Vincent DeMarco  
*President, Maryland Citizens’ Health Initiative, Inc.*

For more information, see: [www.healthcareforall.com](http://www.healthcareforall.com)

# Step 6: Legislature

**CONGRATULATIONS**  
to Attorney General Brian Frosh and the Maryland General Assembly  
for Maryland's Landmark Prescription Drug Price Gouging Law!

HEALTH CARE for ALL! Quality Affordable HEALTH CARE FOR ALL!  
www.healthcareforall.com

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Paid for by Maryland Citizens Health Initiative Education Fund, Inc.  
You may also contact the Office of the Attorney General for reports related to generic or off-patent drugs at: 410-928-1840 and 877-261-8827

## THE SUN

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### How the drug industry blew it in Md.

By LEN LUCCHI

Over the last decade, the prescription drug industry has spent \$2.3 billion in federal lobbying, plus more in the state capitals. According to the Center for Responsive Politics, the pharmaceutical and health products industry spent more on federal lobbying in 2015 than any other industry. No wonder no legislative proposal to curb skyrocketing prescription drug costs has passed anywhere in this nation.

That is until now. Last month, Maryland became the first state in the nation to enact a law that protects people from price gouging by prescription drug manufacturers. The law, which passed both houses of the Maryland General Assembly by overwhelming, bipartisan majorities, but without the governor's signature, authorizes the attorney general of Maryland to sue manufacturers of off-patent and generic drugs for price increases that shock the conscience of a consumer and return that money to those that pay for those drugs.

Proponents of this legislation, a coalition of grassroots organizations led by the Maryland Citizens' Health Initiative, were outspent by the opponents, trade groups and drug companies, by a margin of more than five to one, according to the most recent lobbying activity reports filed with the State Ethics Commission. So why did the drug industry fail to stop this legislation in Annapolis when it has repeatedly succeeded in stifling similar legislation in Congress and across the country?

The answer lies in what the drug industry did wrong and the advocates did right. The drug industry committed some serious tactical errors. First, during the debate on the legislation, it became apparent that the industry was grossly misinterpreting it, thinking that provisions authorizing Maryland's Medicaid program to notify the attorney general of certain price increases were actually a restriction on the attorney general's authority to sue

price gougers, which they were not. Second, the opponents were unwilling to compromise on the bill's provisions — a big turnoff to undecided legislators. Third, the industry made the legislation a partisan issue, rallying Republican leaders to speak out against the bill — a big mistake in a legislature with an overwhelming Democratic majority.

Besides the industry's errors, the advocates had some unique advantages. First, they had a credible, popular leader at the helm. From his decades in the General Assembly, Attorney General Brian Frosh had deep relationships among lawmakers and was relentless in pushing the bill to the finish line.

Second, the advocates followed the public advocacy prescription contained in Michael Perschke's 2010 book, "The DeMarco Factor" (named after Vincent DeMarco, the President of the Maryland Citizens' Health Initiative), by enlisting the talents and research of some of the nation's foremost experts at the Johns Hopkins University, arming themselves with compelling data from a benchmark public opinion survey, assembling a broad-based coalition of senior, labor, professional, religious and civic organizations to engage in grassroots advocacy, and presenting their case through the media, both in paid advertising and the free press.

Third, with all of the outrageous revelations about astronomical drug price hikes, the public mood was strongly in favor of the legislature taking bold action.

As Attorney General Frosh said, "The pharmaceutical companies are extremely powerful and they're usually able to kill bills like this. But they weren't able to this time because people are really feeling the pain, and because of Maryland Citizens' Health Initiative's excellent organizing skills."

Len Lucchi (lucchi@omrg.com) is the longtime contract lobbyist for the Maryland Citizens' Health Initiative Education Fund.

# Thank you!

[www.healthcareforall.com](http://www.healthcareforall.com)

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