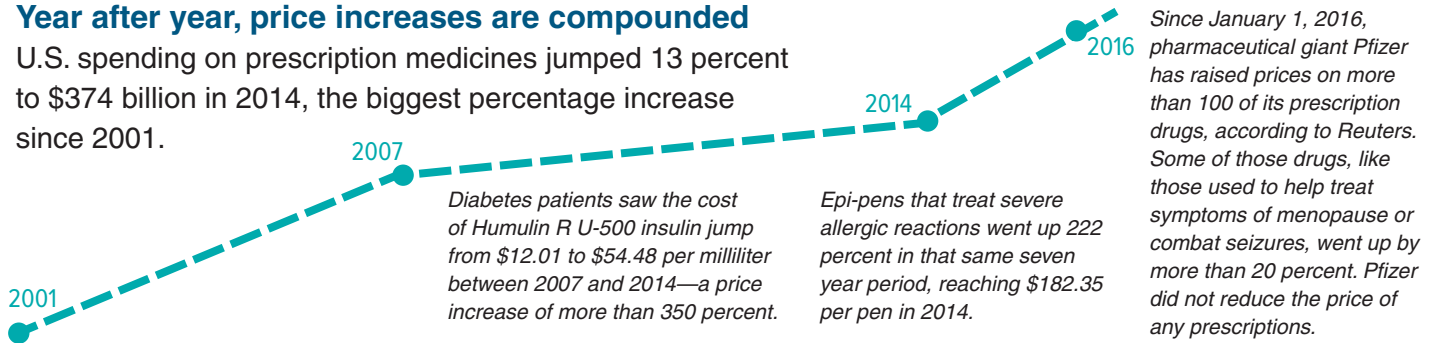


**Prescription Drug Costs are a Bigger Problem than just Martin Shkreli**

Martin Shkreli, the former Turing Pharmaceuticals CEO, made headlines when he raised the price of the life-saving prescription drug Daraprim more than 5,500 percent overnight. But, prescription drug prices are rising at an alarming pace and the problem is far more widespread than a few bad actors.

**Year after year, price increases are compounded**

U.S. spending on prescription medicines jumped 13 percent to \$374 billion in 2014, the biggest percentage increase since 2001.



**The price of prescription drugs is a critical factor to ensuring that patients can use them properly.**



- The high cost of medications often encourages patients to cut corners, making treatments less effective.
- According to the Centers for Disease Control and Prevention, almost 8 percent of American adults attempt to save money by not taking their medicine as prescribed.
- An Express Scripts 2014 Drug Trend Report found that stretching the time between doses instead of taking a medicine as prescribed is a habit that costs the U.S. about \$330 billion every year in preventable medical complications.

**Consumers are concerned about high prescription drug prices.**

- In a May 2015 Morning Consult survey, 75 percent of respondents say that prescription medication is too expensive.
- A Kaiser Health Tracking Poll from June found about three-quarters (76 percent) of those who say costs are unreasonable say that it is more because pharmaceutical companies set the drug prices too high.

**In order to ensure that drug prices are affordable, the market needs more transparency and competition.**



- Drug companies use the cost of research and development as justification for raising drug prices, but there is virtually no data available to the public showing the link between prices and development costs.
- The lack of competition also allows drug companies to set prices indiscriminately.
- New York health plans are concerned about the impact the high costs of drugs has on the overall affordability of health coverage. Plans are committed to efforts to provide consumers with information on drug costs and value.