



*Quality is Our Bottom Line*

**Insurance Committee Public Hearing**

**Thursday, March 5, 2015**

**Connecticut Association of Health Plans**

**Testimony regarding**

**SB 235 AAC A STUDY OF HEALTH INSURANCE COVERAGE OF AND OUT-OF-POCKET EXPENSES FOR EPINEPHRINE**

The Connecticut Association of Health Plans appreciates the intent of SB 235 and offers the attached post by AHIP (America's Health Insurance Plans) for purposes of the discussion. You will note that the cost of a traditional EpiPen has increased 222% from 2007 to 2014. While we appreciate the idea of a dialogue around coverage for epinephrine as recommended by the bill, we would respectfully submit that the conversation needs to be broadened to include, or perhaps be entirely refocused on, why pharmaceutical costs are what they are. As you know from our previous testimony on various drug proposals before the committee, pharmaceuticals are one of the major insurance premium cost drivers. The attached chart highlights the problem well. Instead of a task force on EpiPens in particular, public policy may be better served by a broader discussion of drug costs overall and possible cost reduction strategies that may take the pressure off health plans to impose consumer cost sharing arrangements in general. Thank you for your consideration.



# Then and Now: The cost of prescription drugs

Despite the introduction of new, and in many cases more innovative medical treatments, prescription drugs that have been around for years continue to get more and more expensive. And what about claims of innovation when the price of one drug can rise by an astounding 9,145 percent in only six months? 9,145 percent, really? This is just one example that we have highlighted below that shows while the drugs may have stayed the same -- their price tags skyrocketed.



Doxycycline in 2013  
\$20 per bottle

9,145%  
increase



Doxycycline in 2014  
\$1,849 per bottle



H.P. Acthar Gel in 2007  
\$700 per vial

4,471%  
increase



H.P. Acthar Gel in 2014  
\$32,000 per vial



U-500 in 2007  
\$220 per bottle

445%  
increase



U-500 in 2014  
\$1,200 per bottle



EpiPen in 2007  
\$56.64 per pen

222%  
increase



EpiPen in 2014  
\$184.35 per pen



Benicar in 2007  
\$2.25 per pill

164%  
increase



Benicar in 2014  
\$5.95 per pill



Gleevec in 2007  
\$118 per pill

158%  
increase



Gleevec in 2014  
\$306 per pill



Copaxone in 2008  
\$2,358.60  
per 30 syringes

157%  
increase



Copaxone in 2014  
\$6,072.40  
per 30 syringes

Sources:  
New York Times: "Doctors Denounce Cautious Drug Prices of \$150,000 a Year" April 25, 2013  
New York Times: "Prices Soaring for Specialty Drugs: Researchers Find" April 11, 2014  
Bloomberg: "Drug Prices Soar As Big Selling Brands" May 8, 2014  
New York Times: "The Rise of Powerful, Vastly Profitable" July 7, 2014  
ProPublica: "The Deadly Drug with a Growing Medicine Fee" Aug. 4, 2014  
Foresi: "Costly High Drug Prices Are Bad for Innovation" Oct. 11, 2014