

ACP addresses high cost of prescription drugs in new policy papers

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The American College of Physicians (ACP) today released new policy papers calling for changes that would mitigate rising prescription drug costs. Policy Recommendations for Public Health Plans to Stem the

Escalating Costs of Prescription Drugs: A Position Paper From the American College of Physicians and Policy Recommendations for Pharmacy Benefit Managers to Stem the Escalating Costs of Prescription Drugs: A Position Paper From the American College of Physicians were published in *Annals of Internal Medicine* and provide recommendations to improve transparency in industry and government, examine the role of the Pharmacy Benefit Manager (PBM), and address issues in public health plans that create barriers to care.

"The U.S. pays more for prescription drugs than any other developed country—putting a great strain on our patients," said Robert McLean, MD, FACP, president, ACP. "As physicians, we have a responsibility to address issues that create obstacles to care for our patients, including skyrocketing prescription [drug](#) costs."

The new recommendations expand on ACP's 2016 policy paper, *Stemming the Escalating Cost of Prescription Drugs*, and focus on the need for increased transparency in how drugs are priced, lowering the out-of-pocket costs for patients, enhancing the government's purchasing power, and take a closer look at the roles PBMs and public health plans play in the industry and how to help stem the rising cost of prescription drugs.

To address the complex factors at play, ACP's paper offers a series of recommendations aimed at improving transparency surrounding PBMs and underscores the need for reliable and timely information on prescription drug pricing for physicians and patients. ACP:

- Supports improved transparency, standards, and regulation for PBMs, including a ban on "gag clauses" that prevent pharmacies from sharing pricing information with consumers.
- Supports increased oversight and regulation when it comes to PBMs. Mergers and consolidations, which have increased over

the years in the [health care industry](#), could reduce competition, resulting in more costs being passed to patients.

- Believes health plans, PBMs, and pharmaceutical manufacturers should report the amount paid for prescription drugs, aggregate amount of rebates, and non-proprietary pricing information to the Department of Health and Human Services and make it publicly available.

ACP's paper also addresses issues in public health plans, including the Medicare and Medicaid programs, which can add costs to the health care system and increase expenses for patients. ACP:

- Supports modification to the Medicare Part D low-income subsidy (LIS) program cost-sharing and copayment structures to encourage the use of lower-cost generic or biosimilar drugs, such as eliminating cost-sharing for [generic drugs](#) for LIS enrollees.
- Supports annual out-of-pocket spending caps for Medicare Part D beneficiaries who reach the catastrophic phase of coverage.
- Supports the adoption of Medicare Part D negotiation models that would drive down the price of prescription drugs for beneficiaries.
- Supports efforts to minimize the [financial impact](#) on the federal government of prescription drug misclassification in the Medicaid Drug Rebate Program (MDRP).
- Calls for further study of payment models in federal [health](#) care programs, including methods to align payment for prescription drugs administered in-office in a way that would reduce incentives to prescribe higher-priced drugs when lower-cost and similarly effective drugs are available.

"Internists have seen first-hand the how the increasing costs of prescription drugs have impacted patients," said Dr. McLean. "Not all patients can afford the expensive out-of-pocket [costs](#) for vital drugs, and

the high price tag can cause patients to not adhere to their medications, take incorrect doses to make their supply last longer, or forgo the medication they need altogether. It's more important than ever to continue advocating for policies that make [prescription drugs](#) more affordable and accessible to patients, and ensure they are not boxed out of the care they need."

More information: Hilary Daniel et al. Policy Recommendations for Pharmacy Benefit Managers to Stem the Escalating Costs of Prescription Drugs: A Position Paper From the American College of Physicians, *Annals of Internal Medicine* (2019). [DOI: 10.7326/M19-0035](https://doi.org/10.7326/M19-0035)

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