

HCR007S01 compared with HCR007

~~text~~ shows text that was in HCR007 but was deleted in HCR007S01.

Inserted text shows text that was not in HCR007 but was inserted into HCR007S01.

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

Representative Suzanne Harrison proposes the following substitute bill:

CONCURRENT RESOLUTION ENCOURAGING CONGRESSIONAL ACTION ON ~~MEDICARE~~PRESCRIPTION DRUG PRICES

2020 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Suzanne Harrison

Senate Sponsor: Evan J. Vickers

LONG TITLE

General Description:

This concurrent resolution ~~encourages~~urges the United States Congress to ~~provide Medicare with the policy tools necessary to negotiate significant reductions in the prices it pays for~~address escalating prescription ~~drugs~~drug prices.

Highlighted Provisions:

This resolution:

- ▶ highlights the impacts of prescription drug prices on medication adherence and health outcomes;
- ▶ highlights the growth in prescription drug spending;

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- ▶ highlights the difference between the prices paid for single-source brand name prescription drugs in the United States and the prices paid for single-source brand name prescription drugs in other countries;
- ▶ highlights potential Medicare savings;
- ▶ highlights the inability of the secretary of the United States Department of Health and Human Services to influence Medicare prescription drug prices; and
- ▶ ~~{encourages}~~urges the United States Congress to ~~{provide Medicare with the policy tools necessary to negotiate significant reductions in the prices it pays for}~~promote innovative, market-based solutions and take specific steps to address escalating prescription ~~{drugs}~~drug prices.

Special Clauses:

None

Be it resolved by the Legislature of the state of Utah, the Governor concurring therein:

WHEREAS, at least 49% of Utah adults worry they won't be able to afford the prescription drugs they need;

WHEREAS, 29% of Utah adults do not fill a prescription, cut prescribed pills in half, or skip doses;

WHEREAS, non-adherence to prescribed drug treatments leads to increased morbidity, mortality, and health system costs;

WHEREAS, spending on prescription drugs nationwide has recently grown at more than 2.5 times the rate of inflation;

WHEREAS, prices paid for prescription drugs in the United States are often higher than prices paid for prescription drugs in other countries;

WHEREAS, one recent study of 79 single-source brand name drugs accounting for 40% of Medicare Part D spending showed that the pre-rebate prices charged in the United States are 1.3 to 70.1 times the amounts charged in Canada, the United Kingdom, and Japan;

WHEREAS, the study concluded that the overall, post-rebate cost of those 79 drugs was 3.2 to 4.1 times higher in the United States than the three other countries;

WHEREAS, the study concluded that manufacturer discounts would have to more than double, to 78% of the wholesale acquisition cost, to eliminate the price differential between the

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United States and the other three countries;

WHEREAS, if post-rebate prices paid for those 79 drugs in the United States were reduced to equal the average post-rebate cost in two or more of the other three countries, Medicare spending on those drugs would be reduced by 67%, or \$37.9 billion in 2018;

WHEREAS, in many countries other than the United States, the prices paid to drug manufacturers are based on the prices paid in other countries;

WHEREAS, the 2003 Medicare Modernization Act, which established the Medicare Part D drug benefit, allows Medicare prescription drug plans to individually negotiate with drug manufacturers and pharmacies but prohibits the secretary of the United States Department of Health and Human Services from becoming involved in negotiations, establishing formularies, or instituting price structures;

WHEREAS, Congress is considering multiple bills that would enable the secretary to engage in meaningful negotiations with drug manufacturers; and

WHEREAS, at least one of those bills has the potential to reduce Medicare prescription drug spending, which totaled nearly \$130 billion in 2016, by nearly \$80 billion annually by 2027:

NOW, THEREFORE, BE IT RESOLVED that the Legislature of the state of Utah, the Governor concurring therein, ~~encourages~~ urges the United States Congress to promote innovative, market-based solutions to escalating prescription drug prices.

BE IT FURTHER RESOLVED that the Legislature and the Governor urge Congress to consider solutions like Civica Rx, a Utah-based nonprofit drug manufacturer providing a steady supply of generic drugs to over 1,200 hospitals nationwide at a fraction of the commercial cost.

BE IT FURTHER RESOLVED that the Legislature and the Governor urge Congress to promote price transparency at all levels of the prescription drug supply chain, enact patent reform, safely accelerate the approval process for new drugs, promote competition, remove barriers to value-based purchasing, and provide Medicare with the policy tools necessary to negotiate significant reductions in the prices it pays for prescription drugs.

BE IT FURTHER RESOLVED that a copy of this resolution be provided to Utah's congressional delegation and the majority and minority leaders of the United States Senate and the United States House of Representatives.