



The California Assembly Committee on Health convened an informational hearing [last week](#) to examine the rising costs of prescription drugs and the impacts of price hikes on state programs, local businesses and California's workers. Leaders from organizations throughout the state spoke out against drug companies' price increases and in favor of solutions to rein in runaway Rx costs.

"Nearly nine out of 10 small business owners think that prescription drug prices here in the U.S. are way too high."

*Mark Herbert
California Director
Small Business Majority*

"State cost for drugs purchased through Department of General Services contracts have increased pretty considerably in the last few years, averaging about 20% annual increases..."

*Ben Johnson
Legislative Analyst's Office*

"Pharmaceutical costs at my hospital are number two only to labor - salaries, wages and benefits - it is the highest cost that we have in the hospitals."

*Scott Evans
CEO
Sharp Grossmont Hospital*

"There is a drug called Myostigmin that is used a lot for anesthesia reversal in our hospitals. In September 2013 the drug was pennies, it's now up in the hundreds of dollars that we have to pay per unit."

*Amy Gutierrez,
Chief Pharmacy Officer
Los Angeles County Department of Health Services*

"Prescription drug cost for CalPERS continue to increase rapidly, total prescription drug cost for all CalPERS plans were over \$2 billion in 2015... The new innovative drugs tend to be specialty drugs, which account for almost 30% of our total prescription drug costs, but serve less than 1% of our population."

*Kathleen Donneson
Health Plan Administration Division
CalPERS*

"...Prescription drug costs were generally expected to rise at a greater rate than overall medical costs in 2016. So while overall costs were expected to increase between 2.2 and 11.7%, prescription drug costs were expected to increase from between 8.1 to 18.1%."

*Mario Yedidia
Senior Analyst
UNITE HERE International Union*

For full hearing footage [click here](#).

The California Association of Health Plans' RunawayRx project sheds light on the acceleration of prescription drug pricing and how it impacts health care affordability, encouraging a route toward sustainable pricing. For more information, please visit www.RunawayRx.org or follow us on Twitter at [@Runaway_Rx](#).