

PRESS RELEASE



California Association of
Health Plans

FOR IMMEDIATE RELEASE:

February 18, 2022

Contact:

Mary Ellen Grant

mgrant@calhealthplans.org

In Case You Missed It:

AHIP Study Shows Hospitals, Physician Offices Hike Prescription Drug Prices

A new [study](#) published this week by America's Health Insurance Plans (AHIP) finds that hospitals and physician offices are hiking prescription drug costs for patients by thousands of dollars for the same drugs that can be purchased at a specialty pharmacy. The study is also further proof that specialty pharmacies lower patient costs by preventing hospitals and physicians from charging patients, families, and employers excessively high prices for prescription drugs.

AHIP's study analyzed the cost of 10 prescription drugs that are purchased, stored, and administered in a health care setting, such as a hospital, but could also be safely delivered directly through a specialty pharmacy for provider administration. The study examined data from 2018-2020.

Some of the highlights of the study include:

- Costs per single treatment for drugs administered in hospitals were an average of \$7,000 higher than those purchased through specialty pharmacies.
- Drugs administered in physician offices were an average of \$1,400 higher.
- Hospitals, on average, charged double the prices for the exact same drugs, compared to specialty pharmacies.
- Prices were 22% higher in physicians' offices for the exact same drugs, on average.

The AHIP study notes: *"Specialty pharmacies lower a patient's health care costs by preventing hospitals and physicians from charging exorbitant fees to buy and store specialty medicines themselves. Secure, direct delivery is more efficient and effective and reduces health care costs."*

###

CAHP is a statewide association representing 44 full-service health plans. Through legislative advocacy, education and collaboration with other member organizations, CAHP works to sustain a strong environment in which our member plans can provide access to products that offer choice and flexibility to the more than 25 million members they serve. For more information, please visit <http://www.calhealthplans.org/> or call (916) 552-2910.