

1 [Supporting the Campaign for Sustainable Rx (Drug) Pricing]

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3 **Resolution supporting the National Coalition on Health Care’s educational efforts**
4 **regarding sustainable prescription drug pricing, through their Campaign for**
5 **Sustainable Rx (Drug) Pricing.**

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7 WHEREAS, Drug prices have increased dramatically in the last three years and
8 contribute to higher health care costs for San Francisco Health Service System employers
9 and members; and

10 WHEREAS, Today prescription drug expenditures are nearly 20% of health costs, and
11 prescription spending is growing faster than any other segment of healthcare spending,
12 primarily driven by spending on specialty medications; and

13 WHEREAS, It is estimated that by 2017, specialty drug costs will increase to 44% of
14 overall drug spending and by 2020, pharmaceutical costs will make up more than 50% of
15 health premiums; and

16 WHEREAS, Prices have increased for common drugs with four of the top 10% of
17 prescription drug prices increasing by 100% since 2011; and

18 WHEREAS, Sharply rising drug prices in the United States threaten affordability of
19 health care for local, state, and federal government employers; and

20 WHEREAS, Increasing health care costs threaten wages and productivity by
21 preventing access to affordable healthcare and by placing additional financial costs onto
22 employers; and

23 WHEREAS, It is essential for the market to promote innovation and affordability—not
24 one or the other; and

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1 WHEREAS, The National Coalition on Health Care, a 501(c)(3) nonprofit, has launched
2 educational efforts regarding these concerns through its Campaign for Sustainable Rx (Drug)
3 Pricing, which is a 501(c)(4) organization; and

4 WHEREAS, The National Coalition on Health Care, a 501(c)(3) nonprofit, conducts
5 research and policy analysis in support of the Campaign; and

6 WHEREAS, The Campaign for Sustainable Rx (Drug) Pricing’s proposals for change
7 include transparency proposals (Price Transparency Parity, A Better Return on Taxpayer
8 Investments, Price Transparency Reports, and continued assessment of Direct to Consumer
9 Advertising Requirements), competition proposals (Reducing the Backlog of Generic
10 Applications, Fostering Competition for Branded Drugs, Curbing the use of Risk Evaluation
11 and Mitigation Strategies under the guise of exclusivity, and Creating Targeted Orphan Drug
12 Incentives), and value proposals (Expanding Research on Treatment Effectiveness and
13 Value, Requiring Drug Manufacturers to Conduct Comparisons of New Products to Existing
14 Products, Ensuring that federal programs expand the availability of Value-Based Pricing, and
15 Requiring Innovative Payment and Incentive Structures to Promote Value); and

16 WHEREAS, The Campaign for Sustainable Rx (Drug) Pricing is a non-partisan national
17 campaign made up of a growing coalition of organizations including hospitals, physicians,
18 nurses, consumers, health plans, pharmacists, and employers all working to inform the debate
19 on drug pricing and to finding non-partisan, market-based solutions to lower drug prices in the
20 United States by fostering a national dialogue focused on the issue of drug pricing that strikes
21 a balance between innovation and affordability; now, therefore, be it

22 RESOLVED, That the San Francisco Board of Supervisors support the National
23 Coalition on Health Care’s educational efforts through its Campaign for Sustainable Rx (Drug)
24 Pricing; and, be it

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1 FURTHER RESOLVED, That the San Francisco Board of Supervisors hereby urges
2 the California State Association of Counties and the National Association of County
3 Supervisors to sign on to the Campaign for Sustainable Rx (Drug) Pricing.

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