



City of Pittsburgh

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Text File

Introduced: 10/25/2016

Bill No: 2016-0912, **Version:** 1

Committee: City Council

Status: Adopted

WHEREAS, with three-in-five Americans taking at least one prescription drug per day, the need for affordable prescription drugs is felt at all demographic levels, but most acutely by lower- and moderate-income and elderly citizens; and,

WHEREAS, the continually rising costs of prescriptions drugs drive up the cumulative healthcare prices for all citizens and places numerous cost burdens on the economy and state and federal governments; and,

WHEREAS, spending on prescription drugs currently accounts for almost 20 percent of healthcare costs, with prescription spending growing at a faster rate than any other part of healthcare; and,

WHEREAS, a 2016 report released by the AARP Public Policy Institute found that as recently as 2013, the average annual cost of widely-used generic prescription drugs was \$283, while average yearly cost of therapy for widely-used brand name prescription drugs was \$2,960, or 18 times more. Furthermore, the average annual cost for widely-used specialty prescription drugs was 189 times higher, costing \$53,384 annually. That same year, the median household income in the United States was only \$52,250, the median income of Medicare beneficiaries was \$23,500, and the average Social Security retirement benefits amounted to \$15,526; and,

WHEREAS, spending on specialty medicines, the handling, administration, or monitoring of which requires special or advanced training, increased by approximately \$54 billion over the previous five years. This accounted for close to 73 percent of all spending growth on medicine, and as specialty drug pricing continues to increase faster than the Consumer Price Index, these drugs are predicted to account for a cumulative 44 percent of all drug spending by 2017; and,

WHEREAS, the recent surge in the price of EpiPens, the most commonly-used epinephrine auto injector used to treat anaphylaxis in the U.S., has brought renewed attention to the struggles that many individuals and families face when trying to pay for prescription medication; and,

WHEREAS, federal regulations that demand increased transparency from the companies that market and sell prescription drugs and expedite the approval process that would lead to generic alternatives being brought to the market in an easier, more cost-effective way are necessary to ensure fair and equitable access to much-needed prescription medication; and,

WHEREAS, two such bipartisan bills - the Fair Accountability and Innovative Research (FAIR) Drug Pricing Act, introduced by Sens. Tammy Baldwin (D-Wis.) and John McCain (R-Ariz.) in the Senate and Rep. Jan Schakowsky (D-Ill.) in the House of Representatives, and the Creating and Restoring Equal Access to Equivalent Samples (CREATES) Act, introduced by Sens. Patrick Leahy (D-Vt.), Chuck Grassley (R-Iowa), Amy Klobuchar (D-Minn.) and Mike Lee (R-Utah) - have recently been considered; and,

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WHEREAS, the FAIR Drug Pricing Act would allow greater access of information to patients and taxpayers by requiring prescription drug companies to publicly disclose price increases greater than 10 percent and document the rationale and research and development information that led to the increase, while the CREATES Act would close a current legal loophole that permits some pharmaceutical manufacturers to deny samples of name-brand drugs to generic manufacturers, thereby making it more difficult for generic drug manufacturers; and,

NOW THEREFORE BE IT RESOLVED that the Council of the City of Pittsburgh does hereby call upon the U.S. Congress to pass legislation such as the FAIR Drug Pricing and the CREATES Acts; and,

BE IT FURTHER RESOLVED that the Council of the City of Pittsburgh does hereby call upon the U.S. Congress to continue the necessary regulatory work of ensuring that robust access to necessary prescription medication is maintained for everyday Americans.