



UPPER PAYMENT LIMITS COULD DELIVER UP TO 73% SAVINGS ON PRESCRIPTION DRUGS FOR COLORADO



The Colorado Consumer Health Initiative conducted analysis of publicly available pharmacy data from the All Payers Claims Database in February 2021. We found that creating an independent review panel to set upper payment limits, as other states are doing, could deliver substantial savings for our state if we examine the difference between what Coloradans and Canadians pay for the same drugs.

LOOKING AT THE TOP 50 DRUGS BY TOTAL SPEND...

By adopting similar rates to Canadian formularies, Colorado could achieve up to:

73%
savings

\$199 million in savings per year

Consumers taking these prescriptions could save up to:

70%
savings

\$19 million per year in out-of-pocket costs

HIV \$5 million per year
Savings in patient OOP costs

MS \$1.3 million per year
Savings in patient OOP costs

DEPRESSION \$2 million per year
Savings in patient OOP costs

UPLs could put much needed funds in the pockets of patients with the above conditions who take drugs represented in the top 50.

MORE AFFORDABLE COSTS WOULD MAKE A BIG DIFFERENCE FOR COLORADANS



Example: Xarelto
85% cheaper in Canada

"My wife takes Xarelto. I have recently been laid off because of COVID and lost my insurance. My wife and I now have to choose between paying our bills, buying groceries, or buying the medication."

Matthew J, Denver

HIGH PROFITS AND ADVERTISING BUDGETS LEAVE ROOM FOR LOWERING COSTS WITHOUT HINDERING INNOVATION



Pharma TV Ad Spend in US for 1 month (December 2020)



Direct-to-consumer marketing budget in 2020



U.S. Gross Revenue for Pharma Companies

PRESCRIPTION DRUGS PLAY AN ESSENTIAL ROLE IN PREVENTING, MANAGING, AND CURING DISEASES - BUT DRUGS DON'T WORK IF PEOPLE CAN'T AFFORD THEM. COLORADANS DESERVE TO GET THE MEDICINES THEY NEED AT A REASONABLE COST.

Data and sources available upon request. Contact Isabel Cruz at icruz@cohealthinitiative.org with questions.