



STATEMENT: PBGH Applauds Initiatives by House Leadership Aimed at Lowering Drug Prices
September 19, 2019

Speaker Nancy Pelosi and other members of the House leadership unveiled legislation today aimed at reducing prescription drug costs. American employers and consumers know too well that drug costs are too high and rising rapidly. Drug costs already account for over 20 percent of total health spending. And according to a recent survey, prescription drug prices have surged more than 10 percent in the first six months of 2019 — more than five times the rate of inflation.

As a not-for-profit organization consisting of 40 public purchasers and private employers across the United States that collectively spend over \$100 billion a year purchasing health care services for 15 million Americans, the Pacific Business Group on Health (PBGH) is committed to private sector market-driven solutions to improve quality and reduce costs. However, many parts of the health care sector are fundamentally broken—including the prescription drug market—and require government intervention to ensure affordability, competition, transparency and value.

We appreciate the leadership in House of Representatives stepping up to address the problem of high drug prices and one of the most egregious market failures impacting families and businesses today. PBGH looks forward to reviewing the details of the proposed plan, and we will work with the committees of jurisdiction and its members to bring the employers' voice in the drug pricing debate, while championing policies that strengthen market forces, increase competition, and make drugs more affordable for employers and consumers.

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