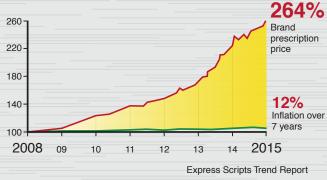
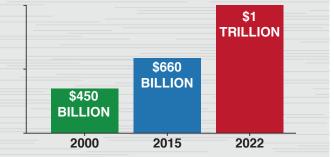
### BRAND DRUGS VS GENERAL INFLATION



Prices for brand prescription drugs increased 264% between 2008 and 2015. Inflation rose 12% for the same time period. With this level of increase, prescriptions are simply not affordable. Consequently, patients do not fill prescriptions or they skip dosages— leading to more expensive treatments, or in many cases they go bankrupt due to healthcare and drug costs.

### AMERICAN BUSINESS HEALTH INSURANCE BILL



### **20 MILLION AMERICANS**

Did not fill their prescriptions because of cost leading to serious health consequences and expensive hospital stays.

Harvard health studies and CDC Center for Disease Control Center 1/30/15

## THE FIX:

**STEP ONE :** CMS, the Center of Medicare Services, empanels the nations most reknown doctors and bio med scientists, in each field of medicine to establish and maintain a national formulary... a list of effective medications that can be prescribed by our nation's doctors... with an exceptions process for special circumstances.

**STEP TWO:** CMS negotiates prices directly with drug manufacturers for medicare beneficiaries. By harnessing the power of medicare beneficiaries, the entire market will adopt those prices. Middlemen, such as insurance companies and PBMs which currently extract huge profits from the sale of drugs for minimal value add, are not included. The prices established are for the entire marketplace to be enjoyed by all American consumers whether insured or not.

The negotiation can include an economic analyisis, recognizing the full cost of developing, manufacturing, and bringing a drug to market and the importance of profit incentives to encourage the development of new innovative drugs.

### CALL TO ACTION... to our nations business leaders

#### RECOGNIZE

Unrestrained drug pricing threatens our nations's businesses, working families, and the U.S. economy.

Business Leaders Transforming Healthcare (BLTH) Campaign... the business community must stand together for reform.

### WORK:

Use your effort and influence to end the dominance of Big Pharma over our nation's business community, the US Congress and our society.



@FixIt.HealthCare @FixItMovie WWW.FIXITHEALTHCARE.COM

## BIG PHARMA MARKET FAILURE

A Documentary film from Unfinished Business Foundation



The natural economic forces of supply and demand for pharmaceuticals have been disrupted, they fail to work to provide reasonable prices to U.S. consumers ...

## Let's fix it.

Unfinished Business Foundation

### **PROBLEMS:**

# MEDIC

• The U.S. Patent system grants monopoly status without any restraint of U.S. government policy regarding price.

Patented Medicine Price Review Boards are standard practice throughout the industrialized world.

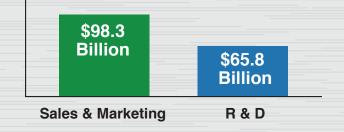
• Unrestrained, Wall Street bankers raise massive sums of capital to fuel big mergers that lead invariably to higher prices.

### Mergers and acquisition in Pharma and Bio Med reached \$550 Billion, (300 transactions) in 2014-2015

### **BIG PHARMA'S PRIORITIES:**

Sales and Marketing over R&D... encouraging the development of high cost drugs

#### USING THEIR OWN FINANCIALS, TOP 10 DRUG MAKERS SPEND 50% MORE ON SALES & MARKETING THAN RESEARCH & DEVELOPMENT.



## WE DON'T NEGOTIATE

### MEDICARE PART D BILL 2003 108TH CONGRESS

The Secretary of Health and Human Services may not require a particular formulary or institute a price structure for covered drugs

### Whose Democracy is It? Lobbyists and Campaign Dollars Pharma (\$244 million in 2016, lobbying expense alone), 1300 lobbyists...

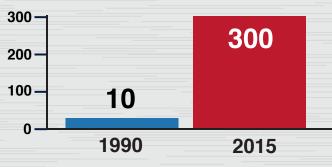
health insurers (\$145 million) 850

2016, Center for Responsive Politics

There is a rise in "Specialty Drugs", which are high priced, and treating complex chronic conditions.

### SPECIALTY DRUGS... HIGH COST DRUGS

Number of specialty drugs in U.S.



We aren't using the accumulated buying power of the U.S. marketplace to gain lower costs.

### THE RESULT: WE PAY MORE

TOP SELLIN USA	IG DRUGS CON	
Humira (Arthritis injection)		
\$2,504	\$1,158	\$978
Gleevec (Leukemia)		
\$10,122	\$2,645	\$2,303
Advair (Asthma inhaler)		
\$154	\$46	\$34
Lantus (Long lasting insulin)		
Lantu	Is (Long lasting in:	sulin)
Lantu	IS (Long lasting in:	sulin)
Lantu \$186		sulin) \$47
\$186 <b>U.S. Pay</b>	\$63 \$ 200% to 30	\$47 <b>0% more</b>
\$186 U.S. Pays Bloomberg News	\$63	\$47 <b>0% more</b> d its IHS data
\$186 U.S. Pays Bloomberg News PHARMACEU	\$63 \$63 Analysis based on SSR health ar TTICAL COST PI	\$47 <b>0% more</b> d its IHS data
\$186 U.S. Pays Bloomberg News	\$63 \$63 Analysis based on SSR health ar TTICAL COST PI	\$47 <b>0% more</b> d its IHS data

USA Industrial World Average Commonwealth Fund

\$515

Health care spending in the U.S. is far greater than all other industrialized nations. Healthcare is 18% of the U.S. GDP. (The average for OECD countries: 9.2%)