Ohio Society of Health-System Pharmacists
Position Statement on Drug Pricing

The Ohio Society of Health-System Pharmacists (OSHP) advocates for drug manufacturers to provide complete transparency on all associated costs of the drug development process to justify prices of new-to-market, brand-name medications. OSHP also urges transparency on the costs of the drug development process to justify pricing of formerly generic drugs that gain marketing exclusivity through the FDA, and which no longer will have generic alternatives available. OSHP encourages more stringent enforcement for manufacturer transactions, mergers, and acquisitions. Reasonable price increases should not outpace United States Consumer Price Index unless notice is provided in advance. Drug manufacturers must make advance notices of price increases readily and publicly available to consumers, including, but not limited to, patients, pharmacies, and third-party payors.

OSHP suggests a one-month notice for an average wholesale price increase of greater than 10%, three months’ notice for an average wholesale price increase greater than 25%, and six months’ notice for an average wholesale price increase greater than 100%. This notification period includes not only immediate price increases, but also notification of intent to raise price greater than the referenced percentages cited in the previous sentence over a period of less than six months. These suggestions are in addition to Title X of the Food and Drug Administration Safety and Innovation Act (FDASIA), which states that manufacturers must notify FDA at least 6 months prior to the date of a discontinuance or interruption in the manufacture of a drug that is life-supporting, life-sustaining, or used to treat debilitating health issues. The FDA should maintain a watch list of drugs with no generic competition that are particularly vulnerable to significant price increases. Additionally, market institutional-size or unit-of-use packages should be purchased for medications that have a price of greater than $50 per dosage form. In order for this to be feasible, manufacturers must increase development and then production of these dosage forms. There should also be an expansion of discount programs for drug purchasers. Finally, patient assistance programs must be transparent in eligibility criteria and be available and accessible for patients and institutions.

 Adopted by the House of Delegates April 21, 2016