State Policy Approaches to High Prescription Drug Prices

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Federal Government sets many policy parameters

- Patents, Exclusivities, and all that
- FDA approval processes and funding
- Medicare, Medicaid, 340b, VA, DoD purchasing rules
- Federal re-importation law and policies
But States Have Policy Levers, Too

- Transparency requirements
  - Reveal and explain price levels, increases > X%
  - Reveal R&D and advertising spending
  - Reveal margins (now also targeted to PBMs)

- Market-oriented price regulations and interventions
  - Creative use of state entities to accomplish importation
  - Reference price and other purchase strategies with state entities
  - State antitrust actions

- Direct regulations on mandatory discounts, price or OOP limits