What is the Drug Pricing Lab?

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www.drugpricinglab.org
Recent Projects

- Indication Specific Pricing
- Medicare Part B Payment Pilot
- Excess cost from drug waste
- Tracking of Recent Pricing Trends

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Recent Projects

- R&D Premiums
- Gilead buy-out

The U.S. Government Should Buy Gilead For $156 Billion To Save Money On Hepatitis C

Should The U.S. Government Buy A Drug Company To Save Money?

Health Affairs Blog
R&D Costs For Pharmaceutical Companies Do Not Explain Elevated US Drug Prices

Analysis of Federal Gilead Acquisition to Provide Low Cost Hepatitis C Therapeutics

US Government Not Hop C Cost by Acquiring Gilead Sciences ($B)

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ACLU sues Colorado Medicaid over denial of treatment for thousands of hep C patients

Judge orders Washington Medicaid to provide lifesaving hepatitis C drugs for all

Originally published May 28, 2016 at 8:30 pm | Updated May 30, 2016 at 7:20 pm

State changes hep C medication guidelines, avoids lawsuit
# Louisiana Budget Allocator

To pay for the treatment of HCV for Louisiana’s Medicaid recipients and uninsured residents, use the sliders in the tabs below to reallocate funds from the discretionary State General Fund.

<table>
<thead>
<tr>
<th>Receiving HCV Treatment</th>
<th>Medicaid recipients affected</th>
<th>Students affected</th>
<th>Remaining funding needed</th>
<th>Reallocated budget for HCV Treatment</th>
<th>One-year cost offset</th>
</tr>
</thead>
<tbody>
<tr>
<td>26,078</td>
<td>13,053</td>
<td>11,780</td>
<td>$0.35B</td>
<td>$0.41B</td>
<td>$6.74M</td>
</tr>
</tbody>
</table>

### Public Health and Medicaid

- **$1.58B** of $1.9B

### Public Education

- **$0.93B** of $1.01B

### State Administration

- **$0.25B** of $0.25B

### Social Services

- **$0.16B** of $0.27B

### Infrastructure

- **$0.27B** of $0.27B

As the biggest line items, Healthcare and Education have minimal protection from cuts or reallocation. To make cuts to these areas, a special legislative session must be called that includes all of the interests affected by the proposed cuts.

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**Medicaid for the disabled and visually impaired**

You are decreasing funding by $320,982,505, which would take away benefits from 13,053 people with disabilities or visual impairment.

### K-12

You are decreasing funding by $87,138,439, which would take away benefits from 11,780 K-12 students.
Overspending driven by oversized single dose vials of cancer drugs

Peter B Bach and colleagues call for an end to contradictory regulatory standards in the US that allow drug manufacturers to boost profits by producing single dose vials containing quantities that increase leftover drug.

![Diagram showing waste in cancer drugs](image)

**Waste in Cancer Drugs Costs $3 Billion a Year, a Study Says**

By GARDINER HARRIS  MARCH 1, 2016
Projected cumulative revenue from 2016-2020 sales of pembrolizumab comparing scenarios with different vial sizes ($M)

- **Revenue from dose only**
- **Revenue from dose and leftover using 50 mg vials**
- **Revenue from dose and leftover using 100 mg vials**

Revenue projections range from $1.20B to $1.22B.
Thank you

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