

Position Statement on Controlling Drug Prices

Approved by the Board of Trustees, December 2019

Approved by the Assembly, November 2019

“Policy documents are approved by the APA Assembly and Board of Trustees. . . These are . . . position statements that define APA official policy on specific subjects. . .” – *APA Operations Manual*

Issue:

Recommendations on Drug Pricing Legislation and Regulations

The number of drug shortages and the cost of prescription drugs in the United States have been increasing over the past decade, reducing patient access to needed medications, including generic, name-brand, oral, and injectable medications. Patients’ ability to access these medications is crucial, with many patients foregoing needed medication due to high costs, as well as increasing suicide rates across the United States and emergency room boarding of patients with mental illness becoming a crisis for many hospitals. Given the complexities of the drug supply chain, it is difficult to identify a specific cause of the rising drug prices and shortages. A wide range of policy changes are necessary to control costs and ensure patients have consistent and affordable access to medications that best meet their health needs.

APA Position:

The APA prioritizes the following approaches to address increasing medication costs and shortages for patients with mental health and substance use disorders.

- **Generic medications may be as effective as brand name medications and have the potential to bring significant savings to consumers. However, delays in getting generics to the market impede patient access. Faster and more widespread entry of generics to market should be prioritized, with a special focus given to generic medications that are ready for market entry.**
- **To help alleviate shortages of generic medications, policies should better maintain generics on the market or help to facilitate a smooth discontinuation of generics to ensure patient continuity of care. The abrupt discontinuation of a generic and limited formularies leave patients with limited options to identify a comparable and effective medication.**
- **Individual medications within the therapeutic classes used to treat patients with mental illness have different mechanisms of action and side effect profiles, with varying responses in patients, all of which complicates a physician’s decision to prescribe a medication for an individual patient. Changing drug formularies without a prescriber or a patient’s knowledge causes a disruption in patient care and safety. Medications should be required to stay on a plan’s drug formulary for a reasonable amount of time while allowing new medications to be added to a formulary to allow patients to be stabilized on a medication and benefit from new innovations.**

- **The lack of transparency and complexity of the prescription drug supply chain makes it difficult to understand how drug prices are set and passed on to consumers. As more patients are struggling to afford their medications, increased transparency is needed by all entities involved in the supply chain to identify and target the reason for rising medication costs.**
- **Consistent with APA's ongoing efforts to combat the imposition of prior authorization and utilization management requirements for mental health and substance use disorder medications, we oppose efforts to increase the use of utilization management tools (i.e., prior authorization and step therapy) to control rising prescription drug prices. Utilization management tools increase clinician burden while delaying patient access to life-saving medications.**