



**Testimony Presented to the Senate Committee on Finance, Insurance and Consumer
Protection
SB 483-485 – Prescription Drug Cost and Affordability Review Act**

Rachel E. Richards, Fiscal Policy and Government Relations Director
September 20, 2023

Good afternoon Chair Cavanagh and members of the Senate Committee on Finance, Insurance and Consumer Protection. My name is Rachel Richards, Fiscal Policy and Government Relations Director at the Michigan League for Public Policy. For those of you who are not yet familiar, the League is a nonpartisan research and advocacy organization that promotes economic opportunity for all and analyzes the impact of public policy and budget decisions on the lives of Michiganders who have been historically and systemically left out of prosperity. The League is also the state's Kids Count organization working as a part of a national effort to measure the well-being of children at the state and local levels and to shape efforts that improve the lives of Michigan children.

The League is pleased to support Senate Bills 483, 484, and 485, sponsored by Senators Camilleri, Klinefelt and McDonald Rivet respectively, which would create an independent body to set fair limits on certain prescription medications to help address increasingly unaffordable prescription drug costs for Michiganders statewide. We thank the bill sponsors, the committee and the growing coalition of nurses, doctors, public health advocates and more for their work on this important legislation.

All Michiganders should be able to afford the prescription medications they depend upon to live long and healthy lives. However, often the costs of medications make residents have to choose between paying for the medication and affording other basic needs, like food and housing. Prescription drug costs are consistently rising faster than inflation and too many Michiganders are forgoing filling their prescriptions as a result. According to the 2020 Prescription Drug Task Force Report, nearly a third of Michigan residents, ages 19 to 64, stopped taking their prescriptions because of costs. According to a 2022 survey conducted by AARP, 6 in 10 Michiganders, ages 50 and older, reported concerns over not being able to afford to fill their prescriptions. Many Michiganders reported not taking their medications as prescribed by cutting pills in half or skipping a dose to stretch their prescriptions. Michiganders shouldn't be forced to make tough decisions between buying their medications and putting food on the table, keeping their electricity and heat on, or paying their mortgage or rent.

The inability to afford prescription medications puts a person's physical or mental health in jeopardy and has harmful impacts on a person's health, economic security and quality of life outcomes long term. Medications necessary to help with rare conditions and cancers but also common conditions like rheumatoid arthritis are often too expensive for families to afford, especially those who are uninsured or underinsured. Untreated medical conditions can result in

long-term chronic conditions or pain, depression, isolation or other mental health concerns, school and job absences, and lost wages. Prescription medications help people stay healthy, function at their job, attend school and participate in their community.

Michigan has a real opportunity to follow the lead of several other states in establishing an independent, nonpartisan board of experts that can use evidence-backed research to successfully set upper payment limits for the most expensive prescription drugs on the market. We thank the committee for their work on this important issue and urge support of Senate Bills 483, 484 and 485.