



Wednesday, September 7, 2016

Statement from Lora Pellegrini, President of the MA Association of Health Plans

On the Center for Health Information and Analysis' 2016 *Annual Report on the Performance of the Massachusetts Health Care System*

Over the past eight years, more than two dozen state reports have examined health care costs and cost drivers and the Center's latest report shows that many of the same factors challenging the affordability of health care in the Commonwealth persist. The persistent increases in the prices that doctors, hospitals and other providers charge coupled with the unwarranted prices that the pharmaceutical industry is charging for specialty, brand-name and generic drugs will continue to threaten the cost growth benchmark.

Our member health plans are doing everything they can to contain costs, but making health care affordable requires holding all entities accountable. The exorbitant prices that pharmaceutical companies are charging for breakthrough drugs, like Sovaldi to treat Hepatitis C, excessive increases in the prices they charge for drugs that have been on the market for decades, such as the EpiPen, or their approach of buying up existing drugs and raising prices significantly, demonstrates the need for aggressive steps to address pharmaceutical prices.

While health plans and providers are being held accountable to the state's cost benchmark, similar transparency is needed for pharmaceutical manufacturers and they should be included as part of this year's cost trends hearings to explain the reasons for the high prices being charged for new and existing drugs.

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