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**Statement by Lora Pellegrini, President and CEO of the Massachusetts Association of Health Plans, on Joint Committee on Health Care Financing hearing on Pharmaceutical Access, Cost and Transparency
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Year after year, increases in prescription drug prices raise health care costs for employers and consumers and threaten the state's health care cost growth benchmark. MAHP and our member health plans are strong supporters of legislation that holds pharmaceutical companies accountable for the high cost of prescription drugs and increases transparency relative to the factors contributing to price increases. It is imperative that pharmaceutical manufacturers be held to the same transparency and accountability standards required for health plans and providers in the Commonwealth, including keeping costs in line with the state's cost growth benchmark and participation at the annual Health Policy Commission's Cost Trends Hearings.

A January report found that drug prices in the U.S. were 256 percent higher than in 32 other nations. Recent data shows that in January, 822 brand name drugs increased in price by an average of 4.5 percent. According to the Center for Health Information and Analysis, pharmacy expenditures is the largest service category of total health care expenditures for Massachusetts. Pharmacy spending totaled \$10.7 billion in 2019, a 7.2 percent increase from 2018.

Legislative proposals that seek to eliminate consumer cost-sharing and take away health plan utilization management tools fail to address the underlying costs of pharmaceutical drugs and will instead remove important tools that ensure patient safety. Likewise, removal of these tools will drive up health care spending and increase premiums.

We must shine a bright light on prescription drug pricing and hold drug companies accountable for the high prices they set. We stand prepared to work with the legislature to address the underlying costs of drugs, and strongly support transparency and oversight provisions to hold pharmaceutical manufacturers accountable for the prices charged.

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