

Governor Phil Murphy

# Governor Murphy, Senator Singleton, Senator Vitale, Senator Pou and Assemblyman McKeon Announce Support for Bill Package to Make Prescription Drugs More Affordable

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**WILLINGBORO** – Governor Phil Murphy, Senator Troy Singleton, Senator Vitale, Senator Pou, and Assemblyman John McKeon today announced their support for a legislative package to make prescription drugs more affordable. Together, the four bills will advance prescription drug affordability and price transparency by capping out-of-pocket costs for insulin, asthma inhalers, and EpiPens; allowing the State to join a multi-state purchasing pool to negotiate for more competitive Medicaid drug prices; establishing oversight mechanisms of Pharmacy Benefit Managers (PBM) while prohibiting certain business and pricing practices; and setting up comprehensive transparency efforts for pharmaceutical manufacturers, PBMs, wholesale drug distributors, and insurance carriers. Critical transparency measures will shed light on cost drivers, trends and other factors related to high prescription drug prices across the prescription drug supply chain and support competitive action across the market. This comprehensive legislative package reaffirms Governor Murphy's commitment to making high-quality health care more affordable and more accessible to all New Jerseyans.

The Governor also reiterated that income limits for the Pharmaceutical Assistance to the Aged and Disabled (PAAD) and the Senior Gold Prescription Discount prescription drug assistance programs have increased by \$10,000 for this year, making drug prices more affordable and benefitting over 20,000 seniors.

"As I highlighted in my State of the State address just a few weeks ago, I am deeply committed to making high-quality health care more affordable for all New Jerseyans," **said Governor Murphy**. "We have made strong strides over the past four years to put health care back within reach of many, but we must continue to find new ways to save consumers money on health care. From the lifesaving medications to the pills millions of consumers take every day to maintain their health, lowering the cost of prescription drugs is a critical component of our broader health care affordability efforts, and today we are taking a major step forward for both short and long-term affordability. I am honored to work with our partners in the Legislature to advance health care affordability for New Jersey's families and seniors."

The Governor, Senator Singleton, Senator Vitale, Senator Pou, and Assemblyman McKeon introduced the following bills:

**S1614 (Vitale/Pou/Singleton)** Requires health insurance carriers to provide coverage for epinephrine auto-injector devices and asthma inhalers; limits cost sharing for health insurance coverage of insulin.

**S1615 (Singleton/Vitale/Pou)** Establishes certain data reporting requirements for prescription drug supply chain; requires Division of Consumer Affairs to issue annual report on emerging trends in prescription drug pricing; appropriates \$900,000.

**S1616 (Vitale/Singleton/Pou)** Establishes new transparency standards for pharmacy benefits manager business practices.

The Governor is also seeking a fourth bill to provide for expedited procurement by the State of a vendor to manage the operations of a Medicaid Multi-State Pooling Supplemental Rebate Arrangement program and associated uniform Preferred Drug List for the NJ FamilyCare program.

"Countless New Jerseyans struggle to afford the expense of prescription medicine, especially senior citizens, low income families and individuals, and those who live with chronic health conditions," **said Senator Joe Vitale, Chair, Senate Health Committee**. "We continue to make great strides in developing medications that can save lives and treat illnesses, but they are of no use if they are unaffordable. They shouldn't be forced to choose between expensive medicines and paying for other basic needs, and they shouldn't be put in the position of skipping doses to stretch their prescriptions. These bills will bring more transparency and accountability to the drug pricing and distribution process, which will improve access and affordability for consumers. They also go a long way in limiting consumers' exposure to fluctuations in the cost of maintenance drugs, like insulin, that for many are the difference between life and death. I will continue to work with the Governor, my legislative colleagues and health care advocates to bring down prescription drug costs so they are more affordable to those in need."

"As in other aspects of society, the COVID-19 crisis has exposed long-standing disparities in both access to affordable health coverage as well as the ability to obtain prescription drugs among our under-served, low-income and minority communities," **said Senator Nellie Pou**. "We must find new ways to make health care costs more transparent, and to make prescription drugs affordable for all residents. No one in

New Jersey should have to make a choice between buying medicine for a sick child and paying their household bills.”

“When at least 10 percent ([https://urldefense.com/v3/\\_\\_https://t.e2ma.net/click/zofajg/fd1rrbm/7yoqwu\\_\\_!!J30X0ZrnC1oQtbA!bgMktClEgdq-LqSnmskWCP--\\_1pjPCOFI329DxD7lbdQxvyjHisGbApoFyL6VfDHteLtB7FPhA\\$](https://urldefense.com/v3/__https://t.e2ma.net/click/zofajg/fd1rrbm/7yoqwu__!!J30X0ZrnC1oQtbA!bgMktClEgdq-LqSnmskWCP--_1pjPCOFI329DxD7lbdQxvyjHisGbApoFyL6VfDHteLtB7FPhA$)) of American adults are forced to ration their medicine because they cannot pay for regular doses, the need for systemic change is indisputable,” **said Assemblyman John McKeon**. “We must take a strategic approach to getting to the bottom of our state’s prescription drug affordability crisis in order to reduce the strain on our health care system and, more importantly, ensure every resident who needs medication can have access to it.”

“So many of our residents are significantly impacted by the unreasonable cost of their medications,” **said Assemblywoman Carol Murphy**. “No one should have to go without the medicines they urgently need. Understanding how these prescriptions are priced and finding ways to help New Jersey families pay less for them will help improve and ultimately save lives.”

“People who are unable to take their medications due to cost concerns will not be able to effectively treat acute illnesses or manage chronic medical conditions, which can lead to more severe health problems,” **said Assemblyman Herb Conaway, M.D., Chair, Assembly Health Committee**. “Working to make prescriptions more affordable is the key to helping residents reduce personal overall health care costs and improving general public health throughout our state.”

“These proposals aim to alleviate the struggle of affording prescription drugs for consumers by providing both immediate relief and longer-term reforms. Limiting the cost at the pharmacy of vital medications that treat life-threatening conditions is a critical first step to help residents with these chronic illnesses. Improving prescription drug transparency is also an important part of our effort,” **said Department of Banking and Insurance Commissioner Marlene Caride**. “This administration has made great progress to make health coverage more affordable. I look forward to our continued work to increase healthcare affordability so we can build a healthier New Jersey.”

“Whether we need critical lifesaving prescription or daily maintenance medications, one thing is for sure: affording the price of the medication should not be a barrier,” **said Shabnam Salih, Director, Office of Health Care Affordability and Transparency**. “I thank the Governor for his commitment to addressing affordability and transparency across health care and my Office is proud to work with our legislative and agency partners to advance these comprehensive efforts, making a real impact for New Jerseyans both soon and down the road.”

For more information about the legislative package, please click here. ([https://urldefense.com/v3/\\_\\_https://t.e2ma.net/click/zofajg/fd1rrbm/nrpqwu\\_\\_!!J30X0ZrnC1oQtbA!bgMktClEgdq-LqSnmskWCP--\\_1pjPCOFI329DxD7lbdQxvyjHisGbApoFyL6VfDHtelk2LZCkw\\$](https://urldefense.com/v3/__https://t.e2ma.net/click/zofajg/fd1rrbm/nrpqwu__!!J30X0ZrnC1oQtbA!bgMktClEgdq-LqSnmskWCP--_1pjPCOFI329DxD7lbdQxvyjHisGbApoFyL6VfDHtelk2LZCkw$))

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