



House Human Services Committee

SB 2212

Prescription Drug Study

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Chairman Weisz and members of the House Human Services Committee, my name is Josh Askvig, State Director for AARP North Dakota. I appreciate your time today and look forward to working with you on an issue that is crucial to our members and one we are already seeing that they are passionate about.

Before I get into the reasons we are working so hard to fight the high cost of prescription drug prices I'd like to spend just a moment reminding you who we are and why we are here. AARP is a nonpartisan, nonprofit, nationwide organization with nearly 38 million members. 84,000 of those members live in North Dakota – a staggering number when you consider the overall population of our state.

Our story dates back 60 years, to when our founder, Dr. Ethel Percy Andrus found a former colleague of hers living in a chicken coop. I know we talk about that often, but we think it says a lot about why we fight for what we do. A lot of issues touch older Americans and their ability to live safe, independent and healthy lives. Most of our work fits into three areas; helping people choose where they live, remain financially secure and access affordable health care.

The rising cost of prescription drugs hits our members, and frankly all North Dakotans, in all three areas. It's a high priority for us, not only at the state level, but at the federal level as well. Let me outline just a couple of the reasons why.

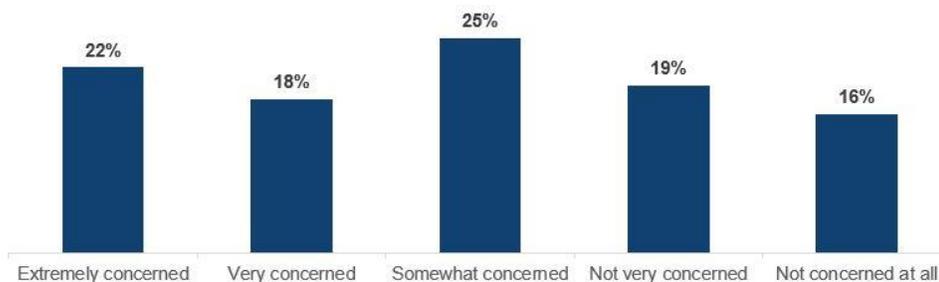
The average older American takes 4.5 prescription drugs on a chronic basis. The average annual cost of prescription drug treatment increased 57.8% between 2012 and 2017, while the annual income for North Dakotans only increased 6.7%.

The high cost of prescription drugs doesn't just impact Medicare beneficiaries it impacts all North Dakotans, especially those age 50 and older. In AARP's 2020 survey of North Dakota adults, almost 1 in 4 individuals did not fill a prescription they were prescribed in the last two years. Of those who didn't fill a prescription, 44% of respondents said they had decided not to fill a prescription that their doctor had given them because of the **cost** of the drug. Further, 65% of them are at least somewhat concerned about being able to afford prescription drugs.

PRESCRIPTION DRUGS

Nearly two-thirds (65%) of North Dakota residents age 45+ are at least somewhat concerned about being able to afford prescription drugs over the next two years.

Concern about Affording Prescription Drugs in the Next Two Years*



PER5. How concerned are you about being able to afford the cost of needed prescription drugs over the next two years? (n=722)
*Not equal to one-hundred percent due to removal of small cells; see annotation for all categories

Attached is a handout, so you can get a good feel for why North Dakotans often have to make that crushing choice between buying medicine or buying food for themselves or their family. It shows the average annual cost of prescription drug treatment soared more than 57 percent between 2012 and 2017. But, now, look at income. The average income in North Dakota increased just 6.7 percent. It's no wonder people are concerned.

A legislative management study on prescription drug pricing, wholesale importation and reference pricing programs, like the one outlined in SB 2212 is a step to continue to evaluate how to best ensure consumers can afford the medicines they rely on.

Thank you again for your thoughtful work on this issue. We wholeheartedly appreciate efforts to make medicine more affordable. We urge you to give this bill a favorable recommendation.