

Prescription Drug Prices: The Voters Speak

Executive Summary of Arnold Ventures March 2019 Drug Pricing Polling

As prescription drug prices and out-of-pocket costs continue to burden American consumers, businesses and taxpayers, voters across the political spectrum are demanding action to contain these costs. Recognizing that past political and stakeholder polarization has thwarted action in this area, Arnold Ventures funded a bipartisan team of pollsters (Geoff Garin of Hart Research Associates and Whit Ayres of North Star Opinion Research) to construct a unique poll to execute a deep dive into this issue that pressure-tested major policy options.

The bipartisan polling team not only surveyed where voters rank the prescription drug issue relative to other policy priorities, but much more significantly tested specific drug cost containment policies currently being considered against the arguments currently being used by opponents to stop Congressional action. They conclude that the intensity of the public's frustration, impatience with delay or half-measures, rejection of the strongest arguments against reforms, and willingness to hold members of Congress accountable is a serious warning sign to policymakers who fail to address excessive prescription drug prices and overall costs. Key findings from their survey research include:

Voters identify excessive drug prices as a chief issue that Congress should address in the next two years:

- More voters identify the cost of health care as a top issue Congress and the president should address (53%) than any other issue; immigration (38%) and the economy and jobs (36%) were next
- Constraining prescription drug prices are in the top three health care priorities for voters (66%); reducing premiums and OOP costs (54%) and expanding affordable coverage (49%) were the next most cited
- Over 8 in 10 of voters (84%) think prices charged for prescription drugs are unreasonable, including 45% who thought they are very unreasonable

Voters blame pharmaceutical manufacturers for the high cost of medications:

- Voters rank drug companies the least favorable entity among groups in the prescription drug policy debate (55% unfavorable vs. 22% favorable)
- Three in four voters (75%) think drug manufacturers had a lot of responsibility for the high cost of prescription drugs, dwarfing all other entities

Voters want policymakers to act and act aggressively:

- By two to one, voters prefer federal price limits (49%) over more competition (24%), though some support both (27%)
 - Notably, Republican voters support price limits (40%) over increased competition (34%), with some supporting both (26%)
- Voters overwhelmingly support (80% or greater) all interventions to limit prices, including:
 - Medicare drug negotiation for drugs with no competition in the marketplace (95%)
 - Compulsory licensing with another company (84%)
 - Allow reimportation from Canada (80%)
- Voters widely believe that these policies will reduce the price of prescription drugs:
 - Medicare drug negotiations (78%)
 - Compulsory licensing with another company (77%)
 - Allow reimportation from Canada (71%)
- When discussing the most popular intervention, allowing Medicare to negotiate drug prices for single-source drugs, voters broadly support multiple approaches to leveraging lower costs, including:
 - Binding arbitration when both parties cannot agree on a price (58% favorable – 14% unfavorable)
 - Medicare paying the average price paid by other advanced countries when both parties cannot agree on a price (66% - 9%)
 - A negotiation process similar to the VA (51% - 9%)
- Over 9 in 10 voters believe that allowing Medicare to negotiate with manufacturers to lower prices for expensive, single source drugs is a good approach (43%) or does not go far enough to control drug prices (49%); only 8% think Congress would be going too far

Pressure testing the strongest arguments against an enforceable Medicare negotiations policy vs. a basic counter argument results in voters retaining their strong support for the underlying policy:

Access argument:

Opponents' argument: Some manufacturers will stop selling to and reduce access to drugs in Medicare if the government asks for too low a price.

Supporters' counter-argument: Drug manufacturers cannot afford to lose the Medicare market.

Agree with Opponents: 38% **Agree with Supporters:** 62%

Undermining R&D investments:

Opponents' argument: Government price controls significantly reduce investments in research and innovation which will slow down the creation of life-saving medicines.

Supporters' counter-argument: Drug companies spend less on R&D than they do on advertising and administration and most research is paid for taxpayers and done through universities or the National Institutes of Health.

Agree with Opponents: 33% **Agree with Supporters:** 67%

VA link:

Opponents' argument: When the VA negotiates drug prices, they deny coverage for some drugs. If they can't provide adequate coverage for veterans, how can the government be trusted to negotiate for seniors in Medicare?

Supporters' counter-argument: The VA successfully lowers drug prices for veterans and when drugs are not covered, there is a safe, effective alternative that is covered.

Agree with Opponents: 40% **Agree with Supporters:** 60%

Incompetent government bureaucrats:

Opponents' argument: Government does not have the capacity to negotiate prices well; we should leave negotiations to experienced businesspeople, not bureaucrats.

Supporters' counter-argument: Today, we leave negotiations to the private sector and the result has been unaffordable prices and excessive costs. Private insurance bargains for lower drug prices, so why shouldn't Medicare be allowed to do the same?

Agree with Opponents: 39% **Agree with Supporters:** 61%

Voters greatly support Medicare negotiations for expensive drugs with no competition after hearing both sides' arguments and want even more done to contain drug costs:

- Voters widely support (87%) Medicare negotiations for single source, high cost drugs after exposure to opponents' strongest arguments and supporters' counter-arguments

Voters will think less of members who do not vote to aggressively intervene on drug prices:

- Over 7 in 10 voters (74%) say they would feel less favorable towards their members of Congress if they did NOT support legislation to reduce drug prices