

# Rep. Vaupel spearheads bipartisan plan to help reduce prescription costs in Michigan

State Rep. Hank Vaupel, chair of the House Health Policy Committee, today introduced a plan to improve prescription drug price transparency in Michigan.

The bipartisan plan requires drug manufacturers to submit information about how their products are priced to the Michigan Department of Information and Financial Services. Vaupel said this will provide a necessary level of consumer protection and help policymakers better understand the factors behind increasing prescription medication costs.

“Across Michigan, families and individuals struggle to pay for the prescription medications they need to be healthy,” said Vaupel, of Fowlerville. “By holding everyone within the drug supply chain accountable, we can help protect consumers from inflated prices.”

Vaupel also said many of Michigan’s older residents are on fixed incomes and cannot afford to purchase some of their prescriptions due solely to the increase in cost. While his plan doesn’t specifically place limitations on drug pricing, the legislator said it does provide clarity to a very complex and confusing section of our state’s health care industry.

Other bills in the package:

- Provide for the licensure and regulation of Pharmacy Benefit Managers (PBMs).
- Require insurers to count all drug rebates received for a drug towards the insured's maximum out of pocket costs or plan deductible.
- Require hospitals to post the cost of all procedures done by the hospital on the hospital’s website.
- Prohibit a drug manufacturer from giving gifts to a prescriber that have a cumulative value of \$63 or more each year.
- Clarify that a rebate shall only be applied to a drug if there is not a lower-cost generic available, or if the rebate is not made available to all eligible individuals regardless of how the drug is paid for by the consumer.
- Prohibit an insurer from requiring a patient to pay a higher co-pay than the cost of the dispensed drug and requires that a PBM shall not prohibit a pharmacy from disclosing the current selling price of a drug.

The legislation is expected to be referred to the House Health Policy for consideration.