

SOUTH DAKOTA STATE MEDICAL ASSOCIATION
POLICY

Subject: Prescription Drug Costs

Document Number: PS-152-0

Attachment(s):

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POLICY STATEMENT

The SDSMA shall advocate for policies and initiatives that prohibit price gouging on prescription medications when there are no justifiable factors or data to support the price increase.

The SDSMA shall support programs and initiatives whose purpose is to contain rising costs of prescription drugs provided that the following criteria are met:

1. Physicians have the ability to provide significant and ongoing input into the development and maintenance of such programs and initiatives;
2. Such programs and initiatives encourage optimum prescribing practices and quality of care;
3. All patients have and/or are assured ongoing access to all prescription drugs necessary to treat their illness;
4. Physicians have the freedom to prescribe the most appropriate drug(s) and method of delivery for the individual patient; and
5. Such programs and initiatives promote an environment that will give manufacturers the incentive for research and development of new and innovative prescription drugs.

Furthermore, the SDSMA:

1. Supports increased transparency of drug prices and actual cost to the consumer;
2. Advocates that pharmacies be required to list the retail price of the prescription on the receipt along with the co-pay that is required in order to better inform our patients of the price of their medications;
3. Will pursue legislation requiring pharmacies to inform patients of the actual cash price as well as the formulary price of any medication prior to the purchase of the medication;
4. Opposes provisions in pharmacies' contracts with pharmacy benefit managers that prohibit pharmacists from disclosing that a patient's co-pay is higher than the drug's cash price;
5. Opposes gag clauses in contracts between pharmacies and pharmacy benefit managers (PBMs) that bar pharmacists from telling consumers about less-expensive options for purchasing their medication; and
6. Supports physician education regarding drug price and cost transparency and challenges patients may encounter at the pharmacy point-of-sale.

While the SDSMA affirms the freedom of physicians to use either generic or brand name pharmaceuticals, the SDSMA calls on physicians to:

1. Be knowledgeable of the price of the medications they prescribe and to factor cost in along with therapeutic benefits when prescribing for their patients;

2. Stay informed about the availability and therapeutic efficacy of generic drugs; and
3. Consider prescribing the least expensive drug product – brand name or FEA A-rated generic.

AUTHORITY

South Dakota State Medical Association Council of Physicians, 11/2/2018; Reaffirmed by South Dakota State Medical Association Board of Directors 6/1/2019.