

Drug Prices: The Ultimate Collision of the Free Market and Government Intervention

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Ask anyone about the prescriptions they take and nine out of ten will probably tell you that they pay way too much. Prescription drug prices in the US are 278% higher than in every other country in the world. High prices affect everyone. Those with no insurance, very minimal insurance, and even good insurance are affected, and it costs the government billions of dollars in Medicare and Medicaid spending. How does an industrial juggernaut like the US spend so much on prescription drugs? Abuse of patent laws and market exclusivity, monopolies with certain drugs, and corrupt practices among the Pharmacy Benefit Managers are partly to blame. Through policy reform and competition, the cost of prescription drugs can fall significantly and become affordable to all. Reforms include reducing the ability to evergreen patents (patent law abuse) while also encouraging innovation and generic drug production, implementing price caps, and cracking down on the corrupt and monopolistic actions of Pharmacy Benefit Managers. Affordable prescription drugs provide significant benefits to patients, providing them with the ability to seek out care and treatment without having to worry about the costs for themselves or their families.