Drug charges hurt the uninsured

By Michelle Hilman
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A state research group yesterday released a study that found uninsured residents pay twice as much for their medications as do large buyers of prescription drugs.

The authors of the study, the Massachusetts Public Interest Research Group and Public Citizen, a national consumer group, found that those without drug coverage are charged double the average price that groups such as the Department of Veterans Affairs are charged.

The study, which randomly selected 51 pharmacies in the state, compared prices paid by people with no insurance to prices paid by large buyers for the nine most commonly prescribed drugs. They found overcharges ranging from 72 percent for Lipitor, a cholesterol medication, to 174 percent for Pepsid, an ulcer medication.

"What we found was plain, old-fashioned price gouging," said Deirdre Cummings, spokesperson for MASSPIRG. "Here we have a problem with consumers who do not have prescription drug coverage—they're getting hit twice."

Cummings said that about 20 percent or 1.2 million state residents are at dual disadvantage because they have no prescription drug coverage, causing them to pay out-of-pocket costs and they are charged double what the insured pay.

"It's ironic. It's also tragic," Alan Sager, professor of health services at Boston University School of Public Health, said of the findings. "It's not fair and, maybe worst of all, there's no reason for it. This is the easiest problem to fix in the United States of America."

Sager said that Americans pay more for prescription drugs than the rest of the world regardless of if they are insured or not. Sager said the poorest people pay the most for drugs.

He said that if drug companies lowered the cost of drugs, more people would be able to afford them, thus increasing the volume of drug sales. That way, the companies would not lose profits because they would have higher sales, making it possible to provide affordable drugs to the elderly.