

A GUIDE TO
PRESCRIPTION DRUG
PRICING IN NEW
YORK

SHOP SMART OR PAY MORE

NEW YORK PUBLIC INTEREST RESEARCH GROUP
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Acknowledgements

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A REVIEW OF PRESCRIPTION DRUG PRICES IN NEW YORK STATE

Summary of Findings

his Guide documents the price differences for the five widely available brand name drugs for diabetes, asthma and chronic obstructive pulmonary disease (COPD) found in the New York State Department of Health's database.

Finding: There were huge price differences within regions. Our review shows surprisingly large ranges in the retail prices of drugs within geographic regions.

In the Upstate New York region:

- In the county of **Albany**, which had 72 pharmacies listed on the Health Department's website, the drug Januvia had the greatest range in price, from a high of \$383.97 to a low of \$224.72 a difference of \$159.25.
- In the county of **Erie**, which had 235 pharmacies listed, the drug Januvia had the greatest range in price, from a high of \$605.35 to a low of \$220.54 a difference of \$384.81.
- In the county of **Monroe**, which had 149 pharmacies listed, the drug Spiriva had the greatest range in price, from a high of \$609.47 to a low of \$248.99 a difference of \$360.48.
- In the county of **Onondaga**, which had 114 pharmacies listed, the drug Combivant had the greatest range in price, from a high of \$337.97 to a low of \$198.88 a difference of \$139.09.

In the suburban New York City region:

- In the county of **Nassau**, which had 357 pharmacies listed, the drug Spiriva had the greatest range in price, from a high of \$528.62 to a low of \$248.46 a difference of \$280.16.
- In the county of **Suffolk**, which had 329 pharmacies listed, the drug Lantus had the greatest range in price, from a high of \$490.79 to a low of \$107.84 a difference of \$382.95.
- In the county of **Westchester**, which had 241 pharmacies listed, the drug Spiriva had the greatest range in price, from a high of \$466.75 to a low of \$248.99 a difference of \$217.76.

In New York City:

- In the borough of the **Bronx**, which had 462 pharmacies listed, the drug Spiriva had the greatest range in price, from a high of \$659.21 to a low of \$227.95 a difference of \$431.26.
- In the borough of **Brooklyn**, which had 901 pharmacies listed, the drug Spiriva had the greatest range in price, from a high of \$628.86 to a low of \$224.95 a difference of \$403.91.
- In the borough of **Manhattan**, which had 684 pharmacies listed, the drug Spiriva had the greatest range in price, from a high of \$698.72 to a low of \$265.17 a difference of \$433.55.
- In the borough of **Queens**, which had 723 pharmacies listed, the drug Spiriva had the greatest range in price, from a high of \$460.49 to a low of \$205.64 a difference of \$254.85.
- In the borough of **Staten Island**, which had 96 pharmacies listed, the drug Spiriva had the greatest range in price, from a high of \$392.50 to a low of \$248.99 a difference of \$143.51.

These price differences within the regions of New York underscore the financial threat posed to residents who lack prescription drug coverage. For those individuals, checking the state's website can save a bundle. But that can only work if they know of the website's existence.

Finding: The limit of only posting the prices for the 150 most widely prescribed drugs is anachronistic. The website could use a considerable amount of modernization, but in particular, the number of drugs listed could be expanded. The state collects retail prices for hundreds (if not thousands) of drugs; the state should post them *all*.

Recommendations

While the intent of New York State's drug pricing disclosure law is laudable, it is clear from our review that the law needs improvements.

- 1. New York State should expand the number of drugs and their prices beyond those 150 currently reported. The website was first conceived 15 years ago and limitations on the number of drugs are outdated. New Yorkers should benefit from this law, whether or not they have been prescribed a medicine that is not widely used. Using a "Google"-style search option would be more intuitive than the current scrolling option. Consumers do not shop for prescription drugs as they do for other commodities; they are usually looking for a specific prescription to fill. There's no reason in 2020 that the state cannot offer a user friendly search option and robust database of a wide range of prescription drugs and their prices by retail outlet. This would not require new legislative action
- 2. The New York State Department of Health should review its database to identify pharmacies that appear to be charging unusually high retail prices. While there are many reasons why there would be a range in prices, some of the prices we observed were exceedingly high. Moreover, pharmacy and supermarket chains often have significant price differences for the same products, the justification of which should be investigated as well. Lastly, some of the prices we observed contained oddly specific charges.
- 3. The New York State Department of Health should change the URL address of the drug pricing website. While clearer signage would help consumers, having an easy-to-remember website address would as well. For example, www.NYSRxPriceShop.gov.
- 4. The New York State Department of Education should audit pharmacies in order to ensure that they are complying with regulations requiring that pharmacies conspicuously display information on the existence of the New York State Department of Health website and its Internet address. The current law requires that pharmacies alert consumers to the existence of the state's prescription drug price website address. In previous reviews of the state law, we have found many instances in which the required signage was not easily seen by customers. The state must ensure that pharmacies are posting the prescription drug website address as required; comparing prescription drug prices can help consumers save money quickly and easily

Background

n 2005, a state law was enacted that promised to substantially improve the way New Yorkers could comparison-shop for their prescription drugs. Prior to enactment, the only way consumers could find good value – particularly those consumers without any drug coverage – was to request pricing information directly from pharmacies. Pharmacies were required to give consumers this information for 150 of the most often prescribed drugs, if requested. To compare prices, a consumer would have to travel from pharmacy to pharmacy.

The law, which went into effect in 2006, required the New York State Department of Health to create a website that would allow consumers to easily compare prescription prices. Under the new law, the Department would cull the pricing information from a database it already maintained through the state's Medicaid program. At that time, supporters were told that retail pricing information comparable in scope to that previously available directly from pharmacies would now be available to consumers through "one-stop" online shopping.

In order to examine the price differences in each region of the state, the New York Public Interest Research Group (NYPIRG) searched the most current pricing information contained in the Department's database as available on the state's website.

Of course, for many New Yorkers this information is not very useful. If an individual has coverage through an employer plan or a government plan, the cost of a prescription is a relatively small co-pay. However, for those without health insurance or with inadequate health insurance, price comparisons matter.

The number of New Yorkers who could benefit from this program is large. For example, according to the U.S. Census, in 2018 about 1 million New York residents lacked health insurance.¹

Despite its existence for over a decade, wide price variations continue and pharmacies appear to ignore the requirement that the web address for the state's pricing website be posted at or near the checkout counter. Without that notice, New Yorkers simply cannot benefit from the price comparison law

This Guide explains how the website works and compares prices in targeted regions across the state. We hope the information is helpful to New Yorkers who need the information. Moreover, we urge the New York State Education Department's Board of Pharmacy to immediately review whether the anecdotal violations of the disclosure requirement are, in fact, widespread across the state.

Range of Prescription Drug Prices by County

he price differences within the regions of New York underscore the need for stronger compliance with the state price disclosure law and point to the need for a stronger law. Below are detailed views of regional price disparities. NOTE: We separated out prices that we considered outliers as either significantly high or significantly low.² Where such an outlier exists, we signified with an asterisk (*) and those prices are included at the end of the Guide.

RANGE IN PRICES FOR FIVE BRAND-NAME DRUGS IN THE COUNTY OF ALBANY				
Drug	Min	Max	Range	County Average
COMBIVENT INHALER	\$225.32	\$337.97	\$112.65	\$255.32
FLOVENT HFA 110MCG INHALER	\$156.72	\$252.97	\$96.25	\$203.80
JANUVIA 100MG TAB	\$224.72	\$383.97	\$159.25	\$284.83
LANTUS SOLOSTAR 100 UNIT/ML – 3ML	\$131.99	\$205.97	\$73.98	\$162.06
SPIRIVA 18MCG HANDIHALER	\$282.62	\$405.97	\$123.35	\$321.55

RANGE IN PRICES FOR FIVE BRAND-NAME DRUGS IN THE COUNTY OF ERIE				
Drug	Min	Max	Range	County Average
COMBIVENT INHALER	\$196.84	\$450.50	\$253.66	\$252.30
FLOVENT HFA 110MCG INHALER	\$155.88*	\$341.50	\$185.62	\$193.67
JANUVIA 100MG TAB	\$220.54	\$605.35*	\$384.81	\$284.28
LANTUS SOLOSTAR 100 UNIT/ML – 3ML	\$117.71	\$307.50	\$189.79	\$154.93
SPIRIVA 18MCG HANDIHALER	\$266.97	\$538.50	\$271.53	\$313.24

RANGE IN PRICES FOR FIVE BRAND-NAME DRUGS IN THE COUNTY OF MONROE				
Drug	Min	Max	Range	County Average
COMBIVENT INHALER	\$198.88	\$315.99	\$117.11	\$247.33
FLOVENT HFA 110MCG INHALER	\$161.99	\$238.11	\$76.12	\$194.31
JANUVIA 100MG TAB	\$224.72	\$329.19	\$104.47	\$278.35
LANTUS SOLOSTAR 100 UNIT/ML – 3ML	\$110.68	\$363.04	\$252.36	\$156.37
SPIRIVA 18MCG HANDIHALER	\$248.99	\$609.47	\$360.48	\$314.26

RANGE IN PRICES FOR FIVE BRAND-NAME DRUGS IN THE COUNTY OF ONONDAGA				
Drug	Min	Max	Range	County Average
COMBIVENT INHALER	\$198.88	\$337.97	\$139.09	\$246.69
FLOVENT HFA 110MCG INHALER	\$156.03	\$252.97	\$96.94	\$195.72
JANUVIA 100MG TAB	\$233.21	\$349.97	\$116.76	\$280.12
LANTUS SOLOSTAR 100 UNIT/ML – 3ML	\$104.70	\$205.97	\$101.27	\$158.89
SPIRIVA 18MCG HANDIHALER	\$248.99	\$375.97	\$126.98	\$308.92

RANGE IN PRICES FOR FIVE BRAND-NAME DRUGS IN THE COUNTY OF NASSAU				
Drug	Min	Max	Range	County Average
COMBIVENT INHALER	\$196.10	\$316.49	\$120.39	\$253.18
FLOVENT HFA 110MCG INHALER	\$144.03	\$238.19	\$94.16	\$195.46
JANUVIA 100MG TAB	\$224.72	\$419.95	\$195.23	\$275.49
LANTUS SOLOSTAR 100 UNIT/ML – 3ML	\$105.95	\$225.00*	\$119.05	\$158.61
SPIRIVA 18MCG HANDIHALER	\$248.46	\$528.62	\$280.16	\$313.88

RANGE IN PRICES FOR FIVE BRAND-NAME DRUGS IN THE COUNTY OF SUFFOLK					
Drug	Min	Max	Range	County Average	
COMBIVENT INHALER	\$193.32	\$334.50	\$141.18	\$249.76	
FLOVENT HFA 110MCG INHALER	\$164.99	\$305.49	\$140.50	\$198.21	
JANUVIA 100MG TAB	\$244.97	\$507.39	\$262.42	\$284.00	
LANTUS SOLOSTAR 100 UNIT/ML – 3ML	\$107.84	\$490.79	\$382.95	\$159.72	
SPIRIVA 18MCG HANDIHALER	\$248.46	\$455.19	\$206.73	\$314.70	

RANGE IN PRICES FOR FIVE BRAND-NAME DRUGS IN THE COUNTY OF WESTCHESTER				
Drug	Min	Max	Range	County Average
COMBIVENT INHALER	\$219.11	\$369.50	\$150.39	\$262.95
FLOVENT HFA 110MCG INHALER	\$143.77	\$277.51	\$133.74	\$202.47
JANUVIA 100MG TAB	\$220.54	\$407.50	\$186.96	\$284.39
LANTUS SOLOSTAR 100 UNIT/ML – 3ML	\$110.99	\$237.22	\$126.23	\$163.94
SPIRIVA 18MCG HANDIHALER	\$248.99	\$466.75	\$217.76	\$321.33

RANGE IN PRICES FOR FIVE BRAND-NAME DRUGS IN THE NEW YORK CITY BOROUGH OF THE BRONX				
Drug	Min	Max	Range	County Average
COMBIVENT INHALER	\$207.48	\$548.77	\$341.29	\$253.65
FLOVENT HFA 110MCG INHALER	\$147.00	\$423.68	\$276.68	\$201.14
JANUVIA 100MG TAB	\$218.36	\$623.53	\$405.17	\$293.75
LANTUS SOLOSTAR 100 UNIT/ML – 3ML	\$92.71	\$368.68	\$275.97	\$169.14
SPIRIVA 18MCG HANDIHALER	\$227.95	\$659.21*	\$431.26	\$322.64

RANGE IN PRICES FOR FIVE BRAND-NAME DRUGS IN THE NEW YORK CITY BOROUGH OF BROOKLYN					
Drug Min Max Range County Average					
COMBIVENT INHALER	\$193.50	\$350.00	\$156.50	\$252.25	
FLOVENT HFA 110MCG INHALER	\$152.14	\$330.75*	\$178.61	\$194.42	
JANUVIA 100MG TAB	\$205.69	\$594.84	\$389.15	\$288.01	
LANTUS SOLOSTAR 100 UNIT/ML – 3ML	\$103.94	\$452.95*	\$349.01	\$164.23	
SPIRIVA 18MCG HANDIHALER	\$224.95*	\$628.86	\$403.91	\$312.60	

RANGE IN PRICES FOR FIVE BRAND-NAME DRUGS IN THE NEW YORK CITY BOROUGH OF MANHATTAN					
Drug Min Max Range County Average					
COMBIVENT INHALER	\$192.67	\$360.53	\$167.86	\$254.80	
FLOVENT HFA 110MCG INHALER	\$131.54	\$338.50	\$206.96	\$195.58	
JANUVIA 100MG TAB	\$235.99	\$623.50	\$387.51	\$285.06	
LANTUS SOLOSTAR 100 UNIT/ML – 3ML	\$114.99	\$353.12	\$238.13	\$162.17	
SPIRIVA 18MCG HANDIHALER	\$265.17	\$698.72*	\$433.55	\$321.38	

RANGE IN PRICES FOR FIVE BRAND-NAME DRUGS IN THE NEW YORK CITY BOROUGH OF QUEENS					
Drug	Min	Max	Range	County Average	
COMBIVENT INHALER	\$150.99	\$348.51*	\$197.52	\$253.05	
FLOVENT HFA 110MCG INHALER	\$150.63	\$311.21*	\$160.58	\$191.72	
JANUVIA 100MG TAB	\$225.01	\$427.98*	\$202.97	\$285.45	
LANTUS SOLOSTAR 100 UNIT/ML – 3ML	\$92.71	\$222.99*	\$130.28	\$158.93	
SPIRIVA 18MCG HANDIHALER	\$205.64	\$460.49*	\$254.85	\$308.61	

RANGE IN PRICES FOR FIVE BRAND-NAME DRUGS IN THE NEW YORK CITY BOROUGH OF STATEN ISLAND				
Drug	Min	Max	Range	County Average
COMBIVENT INHALER	\$181.82	\$321.48	\$139.66	\$252.38
FLOVENT HFA 110MCG INHALER	\$155.99	\$242.59	\$86.60	\$185.81
JANUVIA 100MG TAB	\$244.99	\$364.20	\$119.21	\$279.48
LANTUS SOLOSTAR 100 UNIT/ML – 3ML	\$104.03	\$218.57	\$114.54	\$152.26
SPIRIVA 18MCG HANDIHALER	\$248.99	\$392.50	\$143.51	\$309.60

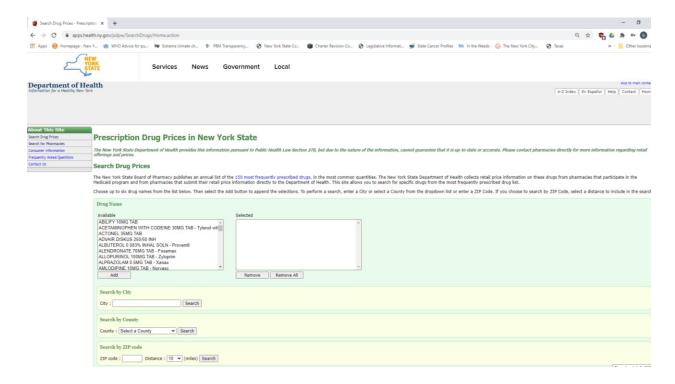
New York State's Disclosure Law

n 2005, New York State changed the way that consumers are able to comparison-shop for prescription drugs. Until that year, New York State pharmacies were *only* required to post information that a "Drug Retail Price List" was available upon request. The List consisted of the 150 most frequently prescribed drugs, in the most common dosages and quantities. The List of these 150 drugs was updated annually by the Board of Pharmacy and distributed to every New York State registered pharmacy.

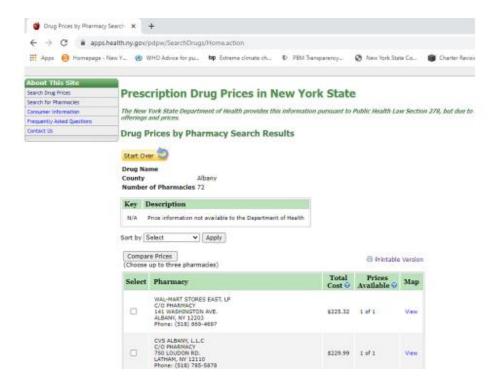
In addition, the pharmacy was, and still is, required to display a sign in bold, block letters at least one inch in height stating that "Drug Retail Price List Available Upon Request." Consumers also may request a computer-generated list to take with them when they leave the pharmacy. Pharmacies are required to update the list with the latest prices charged at least weekly. Pharmacies are *not required*, but are *encouraged* to provide prescription prices to consumers over the phone upon request. The law *requires* the posting of a sign with the address of the New York State Department of Health's website showing prescription drug prices.

Using New York State's Prescription Drug Pricing Website

ew York State's Department of Health offers a website that is made publicly available. The website easily allows the user to compare up to six prescription drugs at the same time. When the user goes to the website, the opening webpage looks like this:



As you can see, the user can search the prescription drugs in the state's database (the state provides information on 150 of the most prescribed drugs and the respective prices) and search either by city, by county or zip code, for as many as six prescriptions at one time (showing the aggregate price). Once the user does the initial search, the website displays the pharmacy, the address, and the phone number of those in the search area. As seen below, the user can then see if that pharmacy dispenses the drug and the retail price of that medicine.



In addition, under the law,⁴ all pharmacies are required to publicize the Department of Health web address at the checkout counter. According to the state's Education Law

"Pharmacies shall have a sign notifying people of the availability of the drug retail price list and the availability of the department of health prescription drug retail price list database and the web address of that database, conspicuously posted at or adjacent to the place in the pharmacy where prescriptions are presented for compounding and dispensing, in the waiting area for customers, or in the area where prescribed drugs are delivered." [Emphasis added]

Methodology

he five drugs highlighted in this analysis were the drugs that are currently sold as brand name only — we could find *no generic equivalent*. These medicines are listed on the Health Department's Drug Pricing website. The prices reflect those found on the New York State Department of Health's website on **June 30, 2020**. NYPIRG did not independently verify the prices listed on the New York Department of Health's website. Thus, prices listed should be checked by consumers.

The Drugs Surveyed

The definitions of the drugs found below were obtained from the website RxList.⁵ Below is a listing and basic explanation of the drugs identified in the analysis.

Combivent – Is an inhalation aerosol for use in patients with chronic obstructive pulmonary disease (COPD).

Flovent HFA – Is an inhalation aerosol for the maintenance treatment of asthma as prophylactic therapy in patients aged 4 years and older.

Januvia – Is prescribed to improve glycemic control in adults with type 2 diabetes mellitus.

Lantus – Is prescribed to improve glycemic control in adults and pediatric patients with type 1 diabetes mellitus and in adults with type 2 diabetes mellitus.

Spiriva – Is prescribed for the long-term, once-daily, maintenance treatment of bronchospasm associated with chronic obstructive pulmonary disease (COPD), including chronic bronchitis and emphysema.

Consumer Tips To Reduce Drug Costs

- ✓ Always ask if there is a generic version of your prescription. Ask your doctor or your pharmacist for a generic version of your prescription medication or do some research by looking at the state's website offering drug prices by region. Generic drugs are generally much cheaper than their brand name counterparts. Unless your doctor specifically requests only a brand name drug, your pharmacist can substitute a less expensive generic equivalent.
- ✓ Be sure to tell your doctor if you are not able to afford the medication that was prescribed for you. If a doctor writes you a prescription, he or she expects that you will fill it and take it as directed. Your doctor might be able to prescribe a different medication that is less expensive.
- ✓ Shop around: use the phone and the Internet to look for lower drug prices. As mentioned earlier, New York State law requires that the New York State Health Department post drug pricing information on its website, https://apps.health.ny.gov/pdpw/SearchDrugs/Home.action.

Questions to Ask Your HealthCare Provider:6

- ✓ Is this drug more effective than an older, cheaper drug because it is prescribed at a higher dosage? If so, would the older, cheaper drug be as effective if it were given at an equivalent dose? Sometimes the best course is simply to increase the dose of an older drug. New drugs are not necessarily better than old ones, and the older the drug, the better its safety record is likely to be.
- ✓ Are the benefits worth the side effects, the expense, and the risk of interaction with other drugs I take? Every drug has side effects, and the side effects and associated risks may outweigh the benefits of taking a new prescription. In addition, the safety of older drugs is usually better understood than brand name new products, about which less is understood. This is a conversation you should have with your doctor.

NUMBER OF PHARMACIES IN NEW YORK BY COUNTY⁷

County	Number	County	Number	County	Number
Albany	82	Jefferson	25	Saratoga	40
Allegany	12	Kings	902	Schenectady	37
Bronx	468	Lewis	5	Schoharie	6
Broome	52	Livingston	12	Schuyler	4
Cattaraugus	19	Madison	13	Seneca	6
Cayuga	16	Monroe	148	Steuben	22
Chautauqua	35	Montgomery	13	St. Lawrence	29
Chemung	21	Nassau	338	Suffolk	308
Chenango	10	New York	667	Sullivan	18
Clinton	21	Niagara	51	Tioga	5
Columbia	12	Oneida	60	Tompkins	21
Cortland	9	Onondaga	109	Ulster	35
Delaware	13	Ontario	27	Warren	22
Dutchess	61	Orange	91	Washington	14
Erie	233	Orleans	9	Wayne	19
Essex	11	Oswego	19	Westchester	239
Franklin	15	Otsego	15	Wyoming	10
Fulton	14	Putnam	15	Yates	6
Genesee	13	Queens	752		
Greene	13	Rensselaer	32	NYS TOTAL	5,452
Hamilton	0	Richmond	99	OUT-OF-STATE	1,197
Herkimer	11	Rockland	68	TOTAL	6,649

Endnotes:

*"Outlier" drug prices by region:

In Erie County	
Flovent HFA 110mcg Inhaler	\$30.00
Januvia 100mg Tab	\$882.48
Spiriva 18mcg Handihaler	\$932.46
<u>In Nassau County</u> Lantus Solostar 100 Unit/MI – 3ml	\$553.53
In the Borough of the Bronx Spiriva 18mcg Handihaler	\$1,253.22
In the Borough of Brooklyn Flovent HFA 110mcg Inhaler	\$919.47
Lantus Solostar 100 Unit/MI – 3ml	\$2,723.98
Spiriva 18mcg Handihaler In the Borough of Manhattan	\$94.52
Spiriva 18mcg Handihaler In the Borough of Queens	\$1,631.59
Combivent Inhaler	\$776.55
Flovent Hfa 110mcg Inhaler	\$638.30
Januvia 100mg Tab	\$941.05
Lantus Solostar 100 Unit/MI – 3ml	\$1,375.30 and \$529.95
Spiriva 18mcg Handihaler	\$992.05

¹ U.S. Census Bureau, "Health Insurance Coverage in the United States: 2018." https://www.census.gov/content/dam/Census/library/publications/2019/demo/p60-267.pdf.

² Our conclusion that the price seemed too low or too high was through a comparison with the range of prices found on the website. While it is possible that such prices are accurate, they seemed to be so far outside the expected range that we did not include them for the purposes of calculating the range in price. We did include them in the county average.

³ New York State Education Department, Office of the Professions, <u>Questions and Answers About Pharmacists and Pharmacies</u>, <u>July 10, 2003</u>, http://www.op.nysed.gov/prof/pharm/pharmqa703.htm.

⁴ New York State Education Law, section 6826.

⁵ All descriptions of the drugs surveyed and their therapeutic use come from the website https://www.rxlist.com/drugs/alpha_f.htm.

⁶ These tips were adapted from the afterword of *The Truth About Drug Companies*, by Dr. Marcia Angell, p. 261.

⁷ New York State Education Department, Office of the Professions, see: http://www.op.nysed.gov/prof/pharm/pharmcounts.htm.