

Biden calls for cap insulin costs at State of the Union—but this won't lower diabetic patients' costs anytime soon

Article

The news: At his 2022 State of the Union address, President Joe Biden included healthcare agenda items such as **capping out-of-pocket costs for insulin at \$35 a month**.

- For context, a stalled piece of legislation (**The Build Back Better Act**) would cap insulin costs, but only for Medicare patients.

Why this matters for the Biden admin: Capping the cost of insulin would help prevent drug prices from continuously rising, a factor that is driving poor medication adherence and contributing to massive healthcare costs for the US.

Nearly 30% of US residents say their prescription drug out-of-pocket costs have increased over the past year, [per](#) a 2021 GoodRx survey of over 1,000 US adults.

- Skyrocketing prices have led many (**18.7%**) adults to delay their refills after running out of their prescription.
- **Some (11.5%) have stopped taking medication** altogether due to high costs.

Delaying med refills or skipping prescriptions worsens chronic conditions, which could magnify the billions of dollars the US spends on treating it.

- **About 90% of the US' \$3.8 trillion in annual health expenditures is spent on people with chronic illnesses**, [per](#) the CDC.

Trendspotting: Health consumers are turning to drug discount entrants like **GoodRx** and **Mark Cuban's drug discount platform** to avoid paying for marked up prescriptions.

Drug discount platforms often provide members with lower prices than their insurance out-of-pocket costs:

- GoodRx [claims](#) it beats the average insurance copay 37% of the time for its top 100 most prescribed drugs.
- For example, **Omeprazole** (used to treat acid reflux) typically costs **\$13.34 with an insurance copay**—but costs **just \$3.36 with GoodRx**.

GoodRx isn't the only platform providing low drug prices, though:

- Unlike other digital pharmacies, **Mark Cuban's** new direct-to-consumer online pharmacy **MCCPDC** [posts](#) exactly how much customers are paying for their discounted drugs, including a breakdown of manufacturing, markup, and pharmacy labor costs.

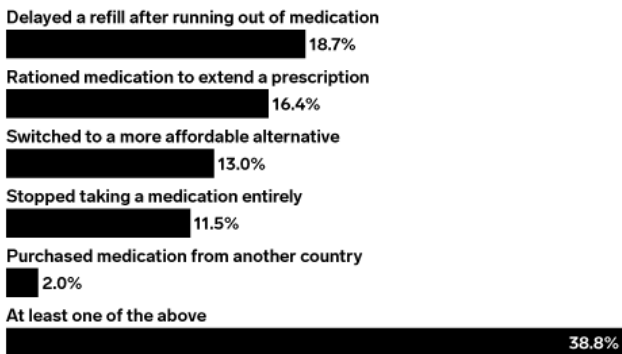
What's next? While Biden's calls to cap insulin costs could boost medication adherence and cut overall costs, there's no guarantee Congress will pass his agenda. And it's likely political gridlock could slow the process down.

For example, US presidents' State of the Union agendas aren't always addressed by Congress: Obama and Trump both had a year of their presidency in which Congress didn't pass any of their agenda items, for instance.

So, it's likely it'll take time for the cost of insulin to be capped across the US. In fact, we suspect consumers will continue flocking to the likes of GoodRx and Mark Cuban's pharmacy this year to avoid lofty co-pays and hunt for the lowest possible prescription prices.

Changes in Medication Adherence Due to Prescription Drug Cost According to US Adults, Feb 2021

% of respondents



Note: ages 18+; adjustments made to care due to the cost of prescription medications in the past year

Source: GoodRx, "Medication Debt Survey" conducted by Google Surveys, March 22, 2021

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