

NEWS BRIEF

President Trump Signs Bills Aimed to Protect Consumers from Overpaying for Prescriptions

On Wednesday, Oct. 10, 2018, President Donald Trump signed two bills into law that ban the “gag clauses” that can result in consumers overpaying for their prescriptions. Secretary of the Department of Health and Human Services, Alex Azar, said this action is the first of a series that will be seen in the coming weeks and months as the administration focuses on a key Trump campaign promise: bringing down drug prices.

What are gag clauses?

Gag clauses are included in contracts between insurers and pharmacies, and prevent the pharmacies from informing consumers that they’ll save money if they don’t use their health insurance and instead pay with cash.

How do the bills impact gag clauses?

Effectively, the bills prevent private insurers and Medicare from including such clauses in their contracts with pharmacists. The two bills—the Know the Lowest Price Act and the Patient Right

to Know Drug Prices Act—promote transparency in drug pricing, which, according to the Trump administration, will result in lower drug prices.

What does this mean for you?

Being a wise health care consumer involves asking the right questions to ensure you’re getting the most affordable price for your prescribed treatments. Don’t be afraid to ask your pharmacist if you would save money by not using your health insurance next time you fill or refill a prescription.

