



NEW REPORT

# How High Drug Prices Hurt American Indians And Alaska Natives

July 2021

THE CAMPAIGN TO  
**Reduce** Drug Prices

PROTECT  
OUR CARE

**NEW REPORT:**

## **How High Drug Prices Hurt American Indians And Alaska Natives**

Racial inequity penetrates every corner of the American health care system, and high prescription drug prices are no exception. Nearly 30 percent of individuals taking prescription medications struggle to afford the cost, with the burden most severely impacting those who make less than [\\$40,000](#) a year and have medication costs over \$100. These factors disproportionately impact American Indians and Alaska Natives, who are more likely to require medications for chronic health conditions, while simultaneously earning household median incomes nearly [\\$30,000](#) less than white counterparts, resulting in reduced ability to pay at the pharmacy counter.

In addition, many American Indians and Alaska Natives live in one of the [13 states](#) yet to implement Medicaid expansion, with people of color comprising [60 percent](#) of individuals living in the coverage gap. Overall, nearly [22 percent](#) of American Indians and Alaska Natives are uninsured, a rate nearly three times higher than white Americans, and the highest rate for any racial group in the United States. These figures are particularly troubling in light of the fact many prescription drugs disproportionately required by American Indians and Alaska Natives experience unrelenting price increases from pharmaceutical corporations. From diabetes to cancer, American Indians and Alaska Natives are forced to cope with higher drug costs, with fewer resources. Forcing American Indians and Alaska Natives to make the impossible choice between lifesaving medications and putting food on the table has had devastating and [deadly consequences](#). American Indian and Alaska Native are more than [twice as likely](#) to die from diabetes than their white counterparts, and experience [lower life expectancy](#) across the spectrum.

The time to lower prescription drug prices and end preventable illness is now. Big Pharma's profiteering knows no bounds. A recent Committee on Oversight and Reform report found that between 2016 and 2020, 14 drug manufacturers spent a whopping [\\$577 billion](#) on stock buybacks and dividends. This figure is \$56 billion more than what was spent on research and development over the same period, proving that high drug prices are funding profits, not innovation. Congress must pass the Lower Drug Costs Now Act (H.R. 3), which would provide the federal government necessary power to negotiate prescription drug

prices and rein in Big Pharma's endless greed. Negotiation would save the government and patients nearly [\\$600 billion](#) on prescription drug costs, which could be [reinvested](#) to strengthen health care for millions of Americans.

## **KEY POINTS**

- **American Indians and Alaska Natives are disproportionately harmed by income and health inequity.** American Indians and Alaska Natives are more likely to have a lower median [income](#) compared with their white counterparts. This disparity has profound impacts on health outcomes for American Indians and Alaska Natives that can result in reduced ability to access lifesaving drugs and a decrease in [life expectancy](#).
- **American Indians and Alaska Natives are regularly forced to navigate chronic health conditions with reduced access to needed drugs.** Compounding social, economic, and political forces make American Indians and Alaska Natives more likely to suffer from ongoing health issues and be faced with outrageous medication prices. Inequitable drug access due to cost creates additional medical problems that disproportionately impact American Indians and Alaska Natives.
- **Drug pricing reform is crucial to addressing racial health disparities.** American Indians and Alaska Natives are significantly more likely to be [uninsured](#) than their white counterparts, pushing up the cost of prescription drugs in a country that is already paying nearly [three times](#) what individuals in other countries are spending on the same drugs. Wealth and health disparities perpetuated by systemic racism increase the strain of drug costs for American Indians and Alaska Natives.

### **Income And Health Coverage Inequity Disproportionately Harm American Indians and Alaska Natives**

**Income Inequity Pushes Lifesaving Drugs Out Of Reach For Many American Indians and Alaska Natives.** The wealth gap between white and American Indians and Alaska Natives is staggering. According to data from the US Census Bureau, in 2016, the annual median household income for white Americans was nearly [\\$30,000](#) higher compared to American Indian and Alaska Native households. More than [one in four](#) American Indians and Alaska Natives live below the federal poverty line, the highest rate for any racial group.

A prescription price increase of just \$10 can result in reduced ability to access prescription drugs, often with [fatal consequences](#).

**Limited Health Coverage Access Disproportionately Impacts American Indians and Alaska Natives.** American Indians and Alaska Natives are significantly more likely to be uninsured than their white counterparts. In 2019, [60 percent](#) of people in the Medicaid expansion gap were people of color, stressing long-standing racial and ethnic disparities in health care access. Medicaid expansion has demonstrated the ability to improve [racial health equity](#) outcomes, particularly disease-specific [diagnosis and treatment](#). Many American Indians and Alaska Natives live in one of the [13 states](#) that have not implemented Medicaid expansion.

**Patient Assistance Programs Are Inaccessible For Many American Indians and Alaska Natives.** Many pharmaceutical corporations fund independent drug assistance programs. These deceptive programs function under the guise of providing needed medications, but in reality, tend to cover expensive, brand name drugs, even when cost-effective generic [alternatives](#) are available. Even more shocking is that [97 percent](#) refused assistance to those who needed it most, individuals [without insurance](#), who are disproportionately American Indians and Alaska Natives.

### **American Indians and Alaska Natives Are Regularly Forced To Navigate Chronic Health Conditions With Reduced Access To Lifesaving Drugs**

**Systemic Racism Places Additional Medication Burdens On American Indians and Alaska Natives.** Due to socio-economic and political circumstances contributing to systemic racism, American Indians and Alaska Natives are more likely to suffer from chronic health issues and experience greater difficulty accessing medications for conditions such as diabetes, cancer, hepatitis C, COVID-19, and high blood pressure.

**Diabetes.** [34.2 million](#) Americans, more than 10 percent of the population, have diabetes. American Indians and Alaska Natives have the highest rate of diabetes of any racial group in the country, with more than [16 percent](#) having received a diabetes diagnosis. American Indians and Alaska Natives are also more than [twice](#) as likely to die from the disease than their white counterparts. The cost of the four most popular types of insulin have [tripled](#) in the past 10 years, with the average monthly price rising to \$450 in 2016. As many as one in four of the [7.5 million](#)

Americans dependent on insulin are skipping or skimping on doses, which can lead to [death](#).

**Cancer.** American Indians and Alaska Natives experience cancer at an unprecedented rate with American Indian and Alaska Native women more than [twice as likely](#) to have and die from liver and IBD cancers than white women. American Indian and Alaska Native men are 40 percent more likely to have stomach cancer and twice as likely to die from the disease than white men. The average estimated out-of-pocket cost for the top speciality cancer medications for Medicare beneficiaries is more than [\\$8,000](#) annually.

**Hepatitis C.** American Indians and Alaska Natives are [more than 2.5 times](#) more likely to die from hepatitis C than their white counterparts. The drugs available to treat the disease, Sovaldi and Harvoni, cost [\\$84,000 and \\$94,500](#) respectively, for a complete round of treatment lasting 12 weeks. The approximate cost for a single pill of either of these medications is more than [\\$1,000](#).

**COVID-19.** The COVID pandemic has disproportionately impacted American Indians and Alaska Natives across the country. American Indians and Alaska Natives are more likely to become infected with COVID, and nearly [2.5 times more likely](#) to die from the virus. In late 2020, American Indians and Alaska Natives represented a disproportionate share of COVID cases in [17 of 37 states](#). COVID complications can result in [damage](#) to major organs such as the heart, kidneys, and lungs. While the full scope of these complications is yet to be known, groups with the highest infection rates will also be most likely to suffer from the long-term health and financial consequences of the virus.

**High Blood Pressure.** Half of American adults, approximately [116 million](#) people, have high blood pressure with the vast majority, 91.7 million, receiving a recommendation to treat the condition with prescription medication. American Indians and Alaska Natives are [10 percent](#) more likely to have high blood pressure than their white counterparts. Drugs to treat high blood pressure can be cost prohibitive. An AARP report found that the cost of a medication used to treat high blood pressure, Bystolic, increased by [41 percent](#) between 2015 and 2020, with an annual cost of \$1,747.



### **Drug Pricing Reform Is Crucial In Addressing Racial Health Disparities**

**Americans Are Forgoing Medications Due To Cost.** [29 percent](#) of adults taking prescription drugs report not taking them as instructed due to cost, with nearly two in ten simply not filling a prescription at all. Income and health disparities caused by systemic racism make American Indians and Alaska Natives more likely to make less than [\\$40,000](#) per year and take more than one prescription medication, increasing the likelihood of struggling with prescription costs.

**Big Pharma Forces Americans To Overspend On Drugs.** Americans are paying nearly [three times](#) what people in other countries are spending on the same prescription drugs, producing worse health outcomes, particularly for American Indians and Alaska Natives. Democratic leaders have proposed legislation to establish a [price ceiling](#) for all negotiated drugs by tying it to the average price in other countries and penalizing drug manufacturers who will not negotiate a fair price. [65 percent](#) of Americans favor tying what Medicare pays for prescription drugs to the amounts paid by other countries and nearly nine in ten Americans support empowering Medicare to negotiate prescription drug prices.

**American Indians and Alaska Natives Remain Underinsured.** In 2018, American Indians and Alaska Natives were [nearly three times](#) more likely to be uninsured than their white counterparts. Not only can health coverage aid in medication costs, but nearly all [patient assistance programs](#) for prescription drugs are only available to those with insurance, ripping lifesaving assistance from many American Indians and Alaska Natives.