



NEW REPORT

# How High Drug Prices Hurt Black Americans

July 2021

THE CAMPAIGN TO  
**Reduce** Drug Prices

PROTECT  
OUR CARE

**NEW REPORT:**

## **How High Drug Prices Hurt Black Americans**

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 Black Americans, 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, Black Americans are more likely to 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, more than [11 percent](#) of Black individuals are uninsured, a rate 1.5 times higher than white Americans. These figures are particularly troubling in light of the fact many prescription drugs disproportionately required by Black Americans experience unrelenting price increases from pharmaceutical corporations. From high blood pressure to sickle cell disease, Black Americans are forced to cope with higher drug costs, with fewer resources. Forcing Black Americans to make the impossible choice between life saving medications and putting food on the table has had devastating and [deadly consequences](#). Black women are nearly [15 times](#) more likely to die from HIV than their white counterparts, with Black Americans experiencing [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

- **Black people are disproportionately harmed by income and health inequity.** Black Americans are more likely to have a lower median [income](#) and live in a state [without Medicaid](#) expansion, compared with their white counterparts. These disparities have profound impacts on health outcomes for Black people that result in reduced ability to access lifesaving drugs and a tragic decrease in [life expectancy](#).
- **Black Americans are regularly forced to navigate chronic health conditions with reduced access to needed drugs.** Compounding social, economic, and political forces make Black people 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 Black people.
- **Drug pricing reform is crucial to addressing racial health disparities.** Black Americans 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 Black people.

### Income And Health Coverage Inequity Disproportionately Harm Black People

**Income Inequity Pushes Lifesaving Drugs Out Of Reach For Many Black People.** The wealth gap between white and Black Americans is staggering. According to data from the US Census Bureau, in 2017, the annual median household income for white Americans was nearly [\\$30,000](#) higher compared to Black households. [Life expectancy](#) is lower for Black Americans, five years for men and three years for women, when compared to white Americans.

**Refusal Of Medicaid Expansion Disproportionately Impacts Black People.** Black Americans 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](#). Black Americans are [more likely](#) to live in one of the [13 states](#) that have not implemented Medicaid expansion.

**High Prescription Drug Prices Perpetuate Racial Disparities.** On average, Black Medicare beneficiaries without drug coverage use [10 to 40 percent](#) fewer prescription drugs than their white counterparts being treated for the same health issues. Inability to afford needed drugs is likely a critical element in why Black individuals suffer from many chronic illnesses at a greater level of [severity](#). A prescription price increase of just \$10 can result in reduced ability to access prescription drugs, often with [fatal consequences](#).

**Patient Assistance Programs Are Inaccessible For Many Black People.** 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 Black.

### **Black People Are Regularly Forced To Navigate Chronic Health Conditions With Reduced Access To Lifesaving Drugs**

**Systemic Racism Places Additional Medication Burdens On Black People.** Due to socio-economic and political circumstances contributing to systemic racism, Black Americans are more likely to suffer from chronic health issues and experience greater difficulty accessing medications for conditions such as high blood pressure, diabetes, sickle cell disease, HIV, and COVID-19.

**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. 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. Black Americans are [40 percent](#) more likely to have high blood pressure than their white counterparts, but less likely to have the condition under control. As a result, Black individuals with high blood pressure are [more likely](#) to suffer stroke, renal disease, and congestive heart failure.

**Diabetes.** [34.2 million](#) Americans, more than 10 percent of the population, have diabetes. Nearly [15 percent](#) of Black people have received a diabetes diagnosis and are more than [twice](#) as likely to die from the disease. 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](#).

**Sickle Cell Disease.** There are estimated to be [100,000](#) Americans living with sickle cell disease, the vast majority of whom are Black. One in every 365 Black infants is born with the disease, a physically painful red blood cell disorder that can cause infection and stroke. Due to a lack of medical knowledge and providers willing to take on sickle cell patients, [75 percent](#) of individuals who would benefit from hydroxyurea, a chemotherapy drug used to treat sickle cell, are not taking the medication. For patients who do not respond to hydroxyurea, there is only one other medication available to treat sickle cell, Endari, which has an average monthly cost of [\\$3,300](#). An estimated [80 percent](#) of sickle cell patients are not adequately cared for, resulting in poor health outcomes. One in five individuals with the disease will experience ‘[silent strokes](#)’ by the time they reach adulthood, creating additional health complications.

**HIV.** [1.2 million](#) Americans are HIV-positive, with a disproportionate [distribution](#) among individuals who are Black (42 percent). Black Americans are eight times more likely to be diagnosed with HIV and Black women are nearly [15 times](#) more likely to die of the disease than white women. A 2020 study found that Medicare beneficiaries without low-income subsidies can face annual [out-of-pocket](#) costs of \$3,000 to \$4,000 for HIV prescription drugs.

**COVID-19.** The COVID pandemic has disproportionately impacted Black people across the US. Black individuals are more likely to become infected with COVID, and [twice as likely](#) to die from the virus. 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.



### **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 Black people 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 Black people. 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.

**Black People Remain Underinsured.** In 2018, Black Americans were [1.5 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 Black individuals.