

**SCRIPT:**

MR: Our health insurance company wanted to double our rates and we just couldn't pay.

KLS: The cost of health care is crushing Colorado families. Why has Washington just ignored this problem?

**THE FACTS:**

**Health Care Costs Were Up 14.7 Percent in 2002**

According to William M Mercer Inc., the average total health benefit cost per employee nationally rose 14.7 percent in 2002, from \$4,924 per employee to \$5,646 per employee. (Assembly, 7/1/03)

**Nearly One-Third Of Non-Elderly Coloradoans Without Health Care In 2002-03**

According to a Families USA study of US Census data, during 2002-03, 32.1 percent of Colorado's non-elderly population (those under 65 years old) were without healthcare. This represented over 1.3 million Coloradoans. (Families USA, "One-In-Three: Non Elderly Americans Without Health Insurance," 6/04, [www.familiesusa.org](http://www.familiesusa.org))

**CMMS: Rising Out-of-Pocket Drug Costs Were Biggest Cause Of Out-Of-Pocket Health Care Cost Increases**

According to Center for Medicare and Medicaid Services, which administers Medicare and helps administer Medicaid and SCHIP, "Over half of the increase in out-of-pocket spending for all health services came from increases in out-of-pocket spending for prescriptions drugs in 2002."

([www.cms.hhs.gov/statistics/nhe/historical/highlights.asp](http://www.cms.hhs.gov/statistics/nhe/historical/highlights.asp))

**Health Care Costs Up By Double-Digit Percentages For Fourth Consecutive Year, Avg Cost Marked At Nearly \$10K**

According to a September 2004 analysis of Census data by the non-partisan Kaiser Family Foundation, from 2001 to 2004 the average premium for a family of four grew to \$9,950 annually. Overall, health care costs saw an 11.2 percent jump from 2003 and the fourth consecutive year of double-digit cost growth. (AP, 9/10/04)

**CO Employer Health Insurance Costs Up Over 50 Percent Since 2001**

According to Kansas City, Mo.-based Compdata Surveys, the total cost of health insurance to employers in Colorado and Utah rose an average of 52.3 percent between 2001 and 2004. (AP, 9/10/04)

MR: I think Ken Salazar understands what it's like for us. He's one of us.

VO: As Attorney General, Ken Salazar cracked down on the big drug companies for price fixing ... and won.

**Won: Under Salazar, Colorado Received Share Of \$100M Anti-Trust Settlement With Alzheimer's Drug Company Mylan Labs**

In July 2000, Salazar announced that Colorado would share in a \$100 million federal anti-trust settlement by Alzheimer drug manufacturers Mylan Laboratories (of Pittsburgh, PA) and three other companies, with the proceeds dedicated to state and consumer reimbursement. The settlement came as a result of a 1999 joint lawsuit filed by 33 states (including Colorado) and the Federal Trade Commission charging that Mylan and its suppliers had developed a plan in 1997 to substantially increase the costs of two popular generic Alzheimer's medications, lorazepam and clorazepate, by reducing their competitors supplies of the active ingredients in the drugs. Mylan subsequently increased prices on the drugs over 2,000 percent: for a 1,000 tablet supply, the price of clorazepate rose from \$22.72 to \$754, and the price of lorazepam went from \$13.60 to \$378. Salazar estimated the total costs to consumers at an additional \$140 million to \$180 million over two years. (Associated Press, 7/13/00; [www.ag.state.ar.us/ppd/pdrugpr.htm](http://www.ag.state.ar.us/ppd/pdrugpr.htm))

**9/27/01: Salazar Sued Three Drug Companies For Antitrust Violations That Forced The State And Consumers To Pay For A "Expensive Brand-Name Drug When A Cheaper Generic Version Would Have Been Available"**

On September 27, 2001 Salazar filed suit against Geneva Pharmaceuticals of Broomfield and two other prescription-drug manufacturers for violations of antitrust laws. Hytrin was a brand name for a drug produced by Illinois based Abbott Laboratories, who was also named in the suit, Hytrin was prescribed to provide relief for those with hypertension or an enlarged prostate. Salazar alleged that the companies had entered into "illegal agreements" which prevented the generic version of a drug Hytrin from getting to consumers. The suit alleged Geneva Pharmaceuticals "accepted illegal payments of \$4.5 million each month from Abbott Laboratories in exchange for not marketing its cheaper generic version of the drug," said the Rocky Mountain News. The "illegal agreements" ultimately hurt consumers and the state of Colorado who had paid for the drugs for people under Medicare. Salazar said that the actions of the three drug companies, "forced [consumers] to pay for an expensive brand-name drug when a cheaper generic version would have been available." Salazar pointed out that the state had been paying \$137.23 for a bottle of 100 10-milligram Hytrin capsules, and that the same bottle in the generic version, which costed \$18.22. Salazar's suit sought damages, civil penalties, and injunctions on behalf of the Colorado governmental agencies who had purchased and reimbursed patients for buying Hytrin. (Rocky Mountain News, 9/28/01)

	<p><b>Salazar Announced \$41.8 Million Settlement With Knoll Pharmaceutical</b>  On July 29, 1999, Salazar and 36 attorneys general from around the country announced a \$41.8 million settlement with Knoll Pharmaceutical Co. over the company's marketing of its thyroid medication Synthroid, having said that it violated consumer protection laws by falsely claiming Synthroid was the most effective medication of its type. Colorado's share of the claim was about \$936,000. (<u>DP 7/30/99</u>)</p> <p><b>Won: Salazar Sued Drug Maker Accused of Lying To Delay Generic Sales</b>  On Dec. 12, 2001, Salazar and 29 other states sued pharmaceutical giant Bristol-Myers for preventing the sale of a generic drug designed to help anxiety disorders. The suit claimed that Bristol-Myers lied to the USDA to prevent the marketing of a generic version of their anxiety drug BuSpar. Salazar said that Colorado consumers had been paying \$131.21 rather than the \$86.43 price that it would have cost for the generic version of the same drug. In January 2003, BMS settled the lawsuit for \$535M. (<u>DP 12/13/01</u>; <u>National Law Journal</u>, 1/13/03)</p>
<p>VO: He'll continued to fight to lower healthcare costs in the Senate.</p> <p>KLS: It's time to make affordable health care a top priority. I'm Ken Salazar, I approved this message.</p> <p>VO: Experience money just can't buy.</p>	<p><b>Salazar Has Concrete Plan To Reduce Health Care Costs For Colorado Families</b>  As part of his Senate Action Agenda, Ken Salazar proposed a concrete and detailed plan to help reduce the cost of health care for Colorado families. Steps include:</p> <ul style="list-style-type: none"> <li>➤ Providing a tax credit of up to 50 percent to help small businesses (those with less than 50 employees) provide quality health coverage to their employees;</li> <li>➤ Expanding the CHIP program and provide new tax credits to help parents purchase health insurance for their children;</li> <li>➤ Authorizing the creation of voluntary purchasing groups to make more choices widely available;</li> <li>➤ Immediately creating of a program to regulate the safe importation of prescription drugs from Canada by licensed American pharmacists.</li> </ul> <p>(<a href="http://www.salazarforcolorado.com/the_issues/affordable_health_care.html?showid=2">http://www.salazarforcolorado.com/the_issues/affordable_health_care.html?showid=2</a>)</p>