

# U.S. Sen. Baldwin: Baldwin, bipartisan group of colleagues introduce bill to boost transparency in prescription drug advertisements

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*WISCONSIN* – U.S. Senator Tammy Baldwin (D-WI) and a bipartisan group of colleagues introduced the *Drug-price Transparency for Consumers Act*, a bill that would require price disclosures on advertisements for prescription drugs to empower patients and reduce Americans' colossal spending on medications.

“Big drug companies spend billions of dollars on advertising, and it takes patients paying high prices to pay for it. These ads often push patients to the most expensive drugs, not the most effective ones, and patients deserve some transparency,” **said Senator Baldwin.** “I am proud to work with my Democratic and Republican colleagues to shed light on Big Pharma’s tricks to gouge Wisconsinites and help lower costs.”

The Government Accountability Office (GAO) [has found](#) that prescription drugs advertised directly to consumers accounted for 58 percent of Medicare’s spending on drugs between 2016 and 2018, while a 2023 study in the *Journal of the American Medical Association* found that two-thirds of advertised drugs offered “low therapeutic value.” By requiring direct-to-consumer (DTC) advertisements for prescription drugs to include a disclosure of the list price, patients can make informed choices when inundated with drug commercials and pharmaceutical companies may reconsider their pricing and advertising tactics. In recent years, the pharmaceutical industry has sued to keep the prices of their drugs out of their TV advertisements.

Each year, the pharmaceutical industry spends \$6 billion in DTC drug advertising to fill the airwaves with ads, resulting in the average American seeing nine DTC ads each day. Studies show that these activities steer patients to more expensive drugs, even when a patient may not need the medication or a lower-cost generic is available. Studies show that patients are more likely to ask their doctor, and ultimately receive a prescription, for a specific drug when they have seen ads for it. For these reasons, most countries have banned DTC prescription drug advertising—the United States and New Zealand are the only industrialized nations to permit this practice.

Additionally, a Kaiser survey found that 88 percent of Americans support this price disclosure policy for advertisements.

Below are some key findings from the GAO report:

- Two-thirds of pharma's spending between 2016 and 2018 on DTC ads (\$12 billion out of \$18 billion total) was concentrated on just 39 drugs. During this period, these advertised drugs accounted for 58 percent of Medicare's spending on drugs (\$320 billion out of \$560 billion).
- In 2019, Humira had \$500 million in DTC advertising, contributing to \$2.4 billion in Medicare costs.
- Among the top 10 drugs with the highest cost to Medicare, four were also in the top 10 for advertising spending (Humira, Eliquis, Keytruda, Lyrica).

This legislation is also co-sponsored by Senators Dick Durbin (D-IL), Chuck Grassley (R-IA), Angus King (I-ME), Joni Ernst (R-IA), Tina Smith (D-MN), Peter Welch (D-Vt.), Richard Blumenthal (D-CT), and Tommy Tuberville (R-AL).

The legislation is endorsed by AARP, American Academy of Neurology, American College of Physicians, Patients for Affordable Drugs Now and Campaign for Sustainable Rx Pricing.