

Thank you, Sen. Sanders for the honor and opportunity of inviting me to testify before this subcommittee. Thank you, distinguished panel members for taking the time to address this important issue, which affects millions of Americans. I consider it a great privilege to be here.

My name is Carol Ann Riha. I and my husband, both early retirees, live in West Des Moines, Iowa. I was laid off in 2011 from The Associated Press, where I was Iowa Bureau Chief. In my 27 years with AP, I also worked in Detroit and Portland, Ore. After leaving AP, I worked a couple of years at The Des Moines Register and retired last year after 38 years in journalism. My husband left Nationwide Insurance in 2009 at the peak of the recession, and was unable to find subsequent employment. We live on a limited monthly withdrawal from my 401k. My husband receives a pension of \$273 a month.

Senator Sanders invited consumers to share their stories and I posted on his website my story about a generic medication I take -- pravastatin. It is a preventive that addresses problems with lipids and cholesterol to prevent heart disease. I switched a few years ago from a similar medication called simvastatin after having side effects -- confusion and short-term memory loss. My doctor prescribed pravastatin, a proven drug developed decades earlier with a lessened risk of side effects.

It was sold under the brand name Pravachol and was made a generic drug in 2006. At that time, the FDA said in a news release: "This approval is another example of our agency's endeavor to counter rising health care costs by approving safe and effective generic alternatives as soon as the law permits." The FDA release also said that in 2005, Pravachol was the 22nd most widely used drug in the U.S., with sales of \$1.3 billion. Reading that, I figured R&D costs were paid off and companies would recoup further expenses through volume. Millions of Americans are taking this drug every day.

At the time I made the switch, my 10 mg tablets, made by Teva Pharmaceuticals, sold for \$4 a month at the Target pharmacy. Then, earlier this year, my \$4-a-month prescription suddenly cost me \$18.73. That's with health insurance. I asked about the increase and the Target pharmacist had no explanation. Target's retail price for the drug is \$25.99, so insurance saved me \$7.26, but the price I now pay is more than 4.5 times more.

Since it's a simple compound and has been produced for decades, I don't understand the increase. I would think a drug this prevalent would eventually become as cheap and readily available as aspirin.

A couple of years ago, my hormone replacement therapy pills, then sold under the brand name FemHrt and made by Warner Chilcott, suddenly became unavailable without warning. The patent had expired. Teva was making a higher dose generic, but there was a gap until the low-dose version became available. I was able to track down this information online, following news report and releases. I've been unable to track down information about why the price has increased so much recently.

As I explained to Sen. Sanders' office, I consider myself lucky. I've got good credit and I have a steady income from my 401k. I absorbed the price increase simply by putting it on my credit card. Obviously it has to be paid at some point, but I think about the millions of Americans trying to make cuts elsewhere because they're tapped out.

My pravastatin wasn't the only budget buster this year. My lansoprazole, an acid reducer I've taken for years after an ulcer, was made an over-the-counter drug. Another \$4 generic, it's now available on store shelves. That's great for availability. I'm sure millions more Americans will now avail themselves of the drug. That's good, right?

However, a 14-day package of 15 mg capsules now sells for \$7.39 and I take 2 a day. That's an increase from \$4 a month to \$29.56. There's no copay and over-the-counter drugs aren't tax deductible.

The cost of my hormone replacement therapy, Jinteli, varies month to month. In September, a 28-day supply cost me \$40 after insurance. The retail cost was \$97.49. In November, I paid \$101.86 after insurance. The retail cost was \$116.99.

How can anyone on a fixed income deal with these vagaries in the system? You sure can't budget for costs that change month-to-month. And it's not a few pennies, as you can see. These are significant percentages.

The bright spot? My daily 40 mg dose of citalopram, which manages depression and anxiety, has not changed and is still just \$4 a month.

Last year, I spent \$849 on prescription medications. This year, after going back to do the math, I anticipate that my out-of-pocket costs will exceed \$1,700.

Like many Americans, I've just been slapping these extra costs on my credit card. I had no debt when I retired and was making plans to move to sunny Sequim, Washington, where I have a sister living. Now, those plans are on hold until we can whittle down our debt.

I thank you again for the opportunity to speak to you today. I look forward to hearing what the drug companies have to say about generic drug pricing. I do want them to know that their decisions have a significant impact on real people.