



April 14, 2026

House Committee on Health Care Availability & Accessibility
Illinois General Assembly
200 N. 2nd Street
Springfield, IL 62706

RE: IL HB1443

Dear Committee Members,

Families USA, a national, nonpartisan health care consumer advocacy organization, strongly supports HB1443, which will help reduce the price of prescription drugs for Illinois families and taxpayers. The proposed legislation would create a prescription drug affordability board (PDAB) with the authority to set an upper payment limit (UPL) for key medications, including extending the discounts already negotiated by Medicare to more Illinois families who get coverage outside Medicare.

Millions of families in America – including those living across Illinois – are increasingly concerned about the cost of basic needs, including skyrocketing health insurance premiums and rising prescription drug costs. The need to rein in those costs is more urgent than ever, and in service of that goal, we work closely with our partners in Illinois to support innovative policies that lower health care costs, establish strong consumer protections, and improve health for everyone. PDABs with UPLs are one of the strongest tools available to states looking to make prescription drugs more affordable for individuals and families.

HB1443 would establish a PDAB with the ability to set UPLs, empowering the state to evaluate the affordability of life-saving and sustaining medications and lower the financial burden of prescription drugs for their residents. The proposed legislation would also ensure that all prices negotiated by Medicare are given UPLs, which is an effective way to systematically extend these savings to non-Medicare populations while minimizing state administrative burden. These reforms would allow the state to limit the amount that plans will pay for a drug that the PDAB has deemed to be unaffordable, build on the success of the Medicare Drug Price Negotiation program for more Illinoisans, and provide much needed savings for Illinois families.¹

High Drug Prices in Illinois and Across the Country

The high cost of prescription drugs continues to strain families and state budgets alike. Between 2000 and 2022, U.S. per capita prescription drug spending increased from \$432 to \$1,217, a nearly three-fold increase.² In 2024 alone, the US spent \$467 billion on prescription drugs, accounting for nearly 10% of total U.S. health care spending.³ Illinois families feel this acutely: according to data from the Illinois Department of Central Management Services, over the last two years, 12 of the 25 most expensive drugs alone cost Illinois taxpayers \$912 billion.⁴

These high costs have a ripple effect far beyond what people pay at the pharmacy counter. Decades of data show prices for hospital services and prescription drugs continue to be the leading drivers of high and rising health insurance premiums for both people who get coverage through their employers and people who purchase insurance in the Affordable Care Act (ACA) marketplaces.⁵ In fact, the majority of 2026 insurance rate filings highlight the impact of high costs for specialty drugs and biologics as leading drivers of rising health insurance premiums.^{6,7}

State economies are particularly vulnerable to high prescription drug costs. Medicaid drug spending across states increased 72% in less than a decade, from \$30 billion in 2017 to \$51 billion in 2023, despite required rebates built into the program.⁸ These increased costs squeeze already strained budgets. Illinois is required to pass a balanced budget, and due to recent federal cuts, the state is likely facing a \$587 million deficit.⁹ Reducing prescription drug costs for individuals and for state programs serves as a partial solution as the state seeks to balance funding critical programs with the need to compensate for cuts in federal funding and navigate a uncertain economic situation nationally.

Building on Recent Federal Success to Ensure Patient Access to Affordable Prescription Drugs in Illinois

Establishing a PDAB with the ability to set UPLs is an effective strategy to lower prescription drug prices. These tools are particularly powerful when paired with federal reforms like the Medicare Drug Price Negotiation Program. The federal government took groundbreaking action in 2021 by passing the Inflation Reduction Act, which allowed Medicare to directly negotiate drug prices for the first time ever. Medicare has already negotiated prices for 25 high-cost drugs, with lower prices for the first 10 drugs in effect as of January 2026. While these 25 drugs cumulatively accounted for nearly \$100 billion in combined Medicare and beneficiary spending, the newly negotiated prices represent reductions ranging from 38% to 85% below list prices.¹⁰ Coupled with the new \$2,000 annual out-of-pocket cap, negotiated prices are projected to save Medicare enrollees over \$2 billion at the pharmacy.¹¹

Since these savings only apply *within* the Medicare program, states should pick up where federal reforms have left off. Seven states currently have a PDAB of some kind: Colorado, Maine, Maryland, Minnesota, New Jersey, Oregon, and Washington. Of those, Colorado, Maryland, Minnesota, and Washington all have the authority to set an upper payment limit. Colorado and Maryland — and soon, Minnesota — rely on the Medicare negotiated prices to align their own upper payment limits. Illinois should show that same leadership and prioritize reducing prescription drug prices.

HB1443 will ensure that Illinoisans of all ages who are enrolled in either public or private insurance plans can benefit from reasonable limits on the cost of lifesaving drugs – while providing important savings back to the state without having to limit or cut coverage.

The Medicare negotiation program proves that this kind of intervention works. States have proven there is a way to use PDABs and UPLs to expand lower drug prices to families in their state. Now, Illinois has the chance to be a leader in addressing high and rising health costs. HB1443 would rein in outrageous prices, improve affordability, and reduce the burden of high drug costs at a time when families – and Illinois' budget – need it most.

¹ Thomas Waldrop and Hazel Law, “Families Need Relief from Runaway Prescription Drug Costs: State Prescription Drug Affordability Boards Can Help,” Families USA, Apr 2026 <https://familiesusa.org/resources/families-need-relief-from-runaway-prescription-drug-costs-state-prescription-drug-affordability-boards-can-help/>

² “National spending on services and prescriptions,” Peterson-KFF Health System Tracker, <https://www.healthsystemtracker.org/indicator/spending/national-spending-services/>.

³ “National Health Expenditures 2024 Highlights,” Centers for Medicare and Medicaid Services, January 14, 2026, <https://www.cms.gov/files/document/highlights.pdf>.

⁴ Public Citizen “A False Choice Between Affordability and Innovation,” March 20, 2026 <https://www.citizen.org/article/false-choice-between-affordability-and-innovation/>

⁵ Sophia Tripoli and Alicia Camaliche, “Why Health Insurance Premiums Continue to Skyrocket- and What Congress Can Do About It,” Families USA, November 2025, <https://familiesusa.org/wp-content/uploads/2025/11/Why-Health-Insurance-Premiums-Continue-to-Skyrocket.pdf>.

⁶ Jared Ortaliza, Matt McGough, Kaitlyn Vu, Imani Telesford, Shameek Rakshit, Emma Wager, Lynne Cotter, and Cynthia Cox, “How much and why are ACA Marketplace premiums going up in 2026,” Peterson-KFF Health System Tracker, August 6, 2025, <https://www.healthsystemtracker.org/brief/how-much-and-why-aca-marketplace-premiums-are-going-up-in-2026/>; Jason Karcher et al., “Drivers of 2026 Premium Changes,” American Academy of Actuaries, July 2025, <https://www.actuary.org/wp-content/uploads/2025/07/brief-Drivers-2026-Premium.pdf>.

⁷ Families USA’s review of filings publicly posted on HealthCare.gov (<https://ratereview.healthcare.gov/>) and on state insurance department websites, July and August 2025.

⁸ Elizabeth Williams, “Recent Trends in Medicaid Outpatient Prescription Drugs and Spending,” KFF. Mar 12, 2026 <https://www.kff.org/medicaid/recent-trends-in-medicaid-outpatient-prescription-drugs-and-spending/#:~:text=The%20number%20of%20Medicaid%20prescriptions,during%20the%20continuous%20>

⁹ Ben Szalinski “Pritzker to present 8th budget as Illinois faces federal funding uncertainty,” Capitol News Illinois. Feb 16, 2026 <https://capitolnewsillinois.com/news/pritzker-to-present-8th-budget-as-illinois-faces-federal-funding-uncertainty/>

¹⁰ Centers for Medicare and Medicaid Services, “Medicare Drug Price Negotiation Program: Negotiated Prices for Initial Price Applicability Year 2027” <https://www.cms.gov/files/document/fact-sheet-negotiated-prices-ipay-2027.pdf>

¹¹ Centers for Medicare and Medicaid Services, “Medicare Drug Price Negotiation Program: Negotiated Prices for Initial Price Applicability Year 2026” <https://www.cms.gov/files/document/fact-sheet-negotiated-prices-initial-price-applicability-year-2026.pdf>