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Sean McElwee, Executive Director, Data for Progress John Ray, Senior Political Analyst, YouGov Blue House Democrats are currently preparing to pass H.R.3, the Lower Drug Costs Now Act of 2019. Given the ability of pharmaceutical companies to spend large sums of money to influence congressional elections, we perform several tests to explore the durability of the policy. First, we test the deceptive framing that pharma companies have used in which they pretend to be a coalition of union and consumer groups. We find that the core policy of H.R.3, allowing the government to negotiate drug prices, is still popular when voters see a Democratic message and a message attributed to a collection of companies and unions. H.R.3 remains popular even when voters see no positive message and only a negative message.

To further test the policy, we provided half the sample with a generic ballot and half of the sample with a Democrat who supports negotiating with pharmaceutical companies and a Republican who calls the proposal a government takeover of the healthcare system. We find that the pharma message increases Democratic vote share dramatically and moves independents to the Democratic column.

We also tested a range of executive orders, all of which have strong support, even with arguments for and against them.

Executive summary

- Voters strongly prefer capping the costs of drugs at the lowest levels possible and invoking new fines and fees on pharmaceutical companies that raise their prices too high
- Of the various groups and organizations we tested, only "for-profit hospitals" and "healthcare insurance companies" consistently tested negatively overall. It is a myth that voters like their insurers

- In a message experiment, a hypothetical Democrat who campaigns on letting the government negotiate the price of drugs against a Republican who opposes such a policy significantly outperforms a generic Democrat against a generic Republican
- Even when presented with only pharmaceutical industry arguments against pharmaceutical reform, delivered through a sympathetic messenger, voters support reforms to reduce drug prices
- Voters support additional pharmaceutical reforms even when they involve unilateral action by the President

Data for Progress recently fielded several surveys on pharmaceutical policy in the United States.¹ Those surveys each included several items pertaining to pharmaceutical reform in the United States. Specifically, Data for Progress sought to understand what voters were willing to support in terms of government intervention in the distribution and availability of pharmaceutical drugs in the United States. Each survey included a battery of items concerning policies designed to manage the price and availability of pharmaceutical drugs. Here, we summarize the results.

Voters support letting "the government" negotiate pharmaceutical prices

At the outset of one of our surveys, which fielded from November 16 - November 18, 2019, we asked voters if they would support allowing the government to negotiate the prices of some pharmaceutical drugs. In that item, we included a Democratic message focused on the affordability of drugs. We also included a statement based on Republican talking points against the legislation, but we did not explicitly reference "Republicans" as the opposition. Instead, we identified "a coalition of biochemical companies and unions" as the source of the rebuttal statement. We chose to do this because it is common in Republican political materials to refer to the source of opposition to Democrats as "unions and pharmaceutical companies" rather than "Republicans." As such, we asked,

Lately, some Democrats in Congress have proposed letting the government negotiate the prices of some common pharmaceutical drugs.

Democrats argue that letting the government negotiate those prices would bring costs down, increasing the availability of those drugs to those who need them. A coalition of biochemical companies and unions argue that letting the government take over medical pricing, no matter its intention, would be dead on arrival in the Senate and that Democrats should work with Republicans on new legislation that will help consumers without causing a government takeover of pharmaceutical pricing.

Would you [support or oppose] letting the government negotiate the prices of some common pharmaceutical drugs?

In that item, the Democratic statement and the statement posed by "a coalition of biochemical companies and unions" were rotated, so that voters randomly either saw the Democratic line first and the "coalition's" statement second, or vice versa.

Ultimately, as with <u>our previous polling on this subject</u>, we find that pharmaceutical reform continues to be popular. Fully 50 percent of voters support and just 32 percent of voters oppose letting the government negotiate the prices of some pharmaceutical drugs. This includes a net positive 44-27 level of support among political independents.² Over a quarter of Republicans support such a policy as well.



SUPPORT FOR LETTING THE GOVERNMENT NEGOTIATE THE PRICES OF SOME PHARMACEUTICAL DRUGS BY PARTY ID

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Later in the survey, we pressed voters on the specifics of what such government involvement in the pharmaceutical market would look like. These included plans to cap pharmaceutical prices, allow the government to negotiate with pharmaceutical companies, executive orders to intervene in the pharmaceutical industry, and others. We review each in the following sections.

Plan to cap prices

In our early November survey, we asked voters about two specific policy proposals to modify the current ban on letting Medicare negotiate drug prices. Each of these plans would cap expenses to some degree, and would prevent companies from raising pharmaceutical prices too quickly. One of these went further than the other: One capped cap out-of-pocket expenses for drugs purchased through Medicare at \$3,100, while the other capped all seniors' outof-pocket prescription drug costs at \$2,000.

Specifically, we asked,

Lately, some in Congress have proposed new legislation that would modify the ban on Medicare negotiating directly with drug companies, effectively allowing the government to negotiate the prices of many pharmaceutical drugs and give that price to everybody including those not on Medicare. The legislation would impose penalties on companies that raised pharmaceutical prices above the rate of inflation, and would cap seniors' out-of-pocket costs for prescription drugs at \$2,000 per year. Others in Congress have proposed a different piece of legislation. This alternative legislation would also impose penalties on companies that raise pharmaceutical prices above the rate of inflation, and it would cap out-of-pocket costs for anyone on Medicare's prescription drug plan at \$3,100 per year. They say that this would help keep prices low without giving too much power to the government.

Of these two policies, which do you prefer?

<1> I prefer the policy imposing penalties on companies that raised pharmaceutical prices above the rate of inflation and that would cap seniors' outof-pocket costs for prescription drugs at \$2,000 per year.

<2> I prefer the policy imposing penalties on companies that raised pharmaceutical prices above the rate of inflation and that would cap out-of-pocket costs for Medicare recipients' prescription drug plans at \$3,100 per year.

By a wide margin, voters preferred the policy that would provide cost caps to all seniors. About 69 percent of voters preferred the policy that would cap seniors' out-ofpocket costs at \$2,000, compared to just 31 percent who preferred the policy that would cap Medicare recipients' out-of-pocket costs at \$3,100. Even when the latter policy was written using a compromise frame, in which the plan would not "give too much power to the government," voters preferred expanding government authority to cap pharmaceutical prices at a lower level for all seniors.



SUPPORT FOR PLAN TO CAP SENIORS' OUT-OF-POCKET COSTS BY PARTY ID

When given these choices, there was little divide across the partisan spectrum, with large majorities of Democrats, independents, and Republicans supporting that approach. When obligated to choose between one of the two, even among more politically conservative voters, respondents showed they were prepared to support lower out-of-pocket costs.

Simulating a high-spending environment

In the survey which fielded from November 9th through 11th, we included a message test designed to simulate an environment in which proponents of H.R.3 were outspent by their opponents. Half of voters were randomly assigned to see an argument given by Democrats in favor of the policy, and half were assigned not to see a Democratic argument. In both conditions, voters saw the Republican statement. That item read:

Lately, some Democrats in Congress have proposed letting the government negotiate the prices of some common pharmaceutical drugs.

(The Democratic statement, shown to half of respondents:) Democrats argue that letting the government negotiate those prices would bring costs down, increasing the availability of those drugs to those who need them.

(The Republican statement, shown to all respondents:) A coalition of biochemical companies and unions argue that letting the government take over medical pricing, no matter its intention, is a radical overstepping of the bounds we set for what the government should be allowed to do in our lives. They say that any such legislation would be dead on arrival in the Senate and that Democrats should work with Republicans on new legislation that will help consumers without causing a government takeover of pharmaceutical pricing.

Do you [support or oppose] letting the government negotiate the price of common and life-saving pharmaceutical drugs?

Here, we repeated the strategy of framing the Republican message as a message from "a coalition of biochemical companies and unions," to mimic Republican talking points about where opposition to such a policy originates. For respondents who saw the Democratic message, half were randomly assigned to see the Republican message first and the Democratic message second, and vice versa for the other half of respondents. When the Democratic message came first, the first sentence began, "They argue," and when the Republican message came first, the first sentence of the Democratic message began, "Democrats argue."

Overall, the Democratic message led to a 7-point improvement on support for the policy, with 56 percent of voters who saw the Democratic message supporting the policy compared to 49 percent of voters who did not see the Democratic message supporting the policy. In the condition where voters saw the Democratic message, opposition to the policy was about 4 points lower than in the condition without the Democratic message, and the share of voters who said they were "unsure" was about 3 points lower. In other words, the Democratic message may have both helped to persuade some voters who would otherwise oppose the policy and to explain the Democratic position to others who were unsure how they felt.



Later in that survey, we included a message test to see how support for a pharmaceutical plan would influence voters' candidate choices in the upcoming congressional elections. Half of respondents were randomly assigned to see a question asking them to choose between a Democratic candidate who supports pharmaceutical reform or a Republican who does not, and the other half were simply asked to choose between a Democrat and a Republican. We asked,

(Split A): If the 2020 congressional election were being held today and the candidates were a Democrat who supports allowing Medicare to negotiate drug prices with pharmaceutical companies, and a Republican who says allowing Medicare to negotiate drug prices with pharmaceutical companies is nothing more than a socialist takeover of our healthcare system, for whom would you vote?

- <1> The Democratic candidate
- <2> The Republican candidate
- <3> Another candidate
- <4> I would not vote
- <5> Not sure

or,

(*Split B*): If the 2020 congressional election were being held today, for whom would you vote?

<1> The Democratic candidate

- <2> The Republican candidate
- <3> Another candidate
- <4> I would not vote

<5> Not sure



SUPPORT FOR GENERIC HOUSE CANDIDATE PHARMACEUTICAL POLICY MESSAGE VS. GENERIC

In the condition in which voters saw a pharmaceutical policy associated with the candidates, the Democratic candidate fared better. By a 5-point margin among all voters, including a 12-point margin among independents, voters more strongly preferred the Democrat in the condition including pharmaceutical policy than in the generic ballot condition. Indeed, in the "generic candidate" condition, the Republican candidate enjoyed a 27-20 edge over the Democratic candidate, while in the "with pharma message" condition, independents preferred the Democratic candidate by a 32-22 margin.

When these two messages were pitted against one another, the Democratic candidate clearly benefits. Both messages are based on existing positions and talking points from each party, in an attempt to mimic the current messaging environment. Voters are more concerned by the price of drugs and healthcare than they are by ideological claims over "socialism."

Voters hate the for-profit component of the pharmaceutical system

These findings make sense in light of the fact that voters do not approve of many of the for-profit elements of the pharmaceutical system. In our earlier survey, we asked voters how they felt about some core elements of the current healthcare system. We included groups ranging from individual doctors to employer-provided health insurance. For each of them, voters could report if they strongly favored, somewhat favored, somewhat disfavored, strongly disfavored, or were unsure how they felt about that group or component of the healthcare system. In full, we asked,

Next, you will see a few groups and products that are involved in some way in our current healthcare system. For each, please indicate if you have a favorable or unfavorable view of them, or if you are unsure.

- Your current healthcare provider

- Your employer-provided health insurance
- Healthcare insurance companies
- Pharmaceutical research companies
- Academic researchers who develop drugs and medicine outside the private sector
- For-profit hospitals

- Hospitals run by religious organizations, charities, and non-profits

- Medical doctors
- Your doctor
- <1> Strongly favorable
- <2> Somewhat favorable
- <3> Somewhat unfavorable
- <4> Strongly unfavorable
- <5> Don't know

Respondents were shown each group or component of the healthcare system in a randomized order.

Overall, many elements of the current healthcare system were popular. Perhaps unsurprisingly, voters reported overall favoring doctors as a group, and their own doctor. Voters also clearly favor their healthcare insurance providers, even controlling for possible differences across the partisan divide.

Notably, across partisan differences, "healthcare insurance companies" consistently ranked as the least favored elements of the current healthcare system. By a 39-51 margin, voters opposed healthcare insurance companies, including a net -31 unfavorability among Democrats and -30 net unfavorability among independents. Voters overall disapproved of for-profit hospitals by a 41-46 margin, as well. Of the various elements of the healthcare system, voters clearly disapproved the most of the elements associated with private profit.



FAVORABILITY OF MEDICAL AND PHARMACEUTICAL GROUPS

Voters support executive action to lower pharmaceutical drug prices

At the outset of our later survey, which fielded through mid-November, we asked voters whether they would support or oppose executive action to help lower the price of pharmaceutical drugs. Several of the major presidential campaigns for the Democratic nomination have put forward plans to use executive authority to lower the prices of pharmaceutical drugs, and here, we tested some of those plans explicitly. One of these plans asked about allowing the government to buy pharmaceutical patents for common and life-saving drugs like insulin and epinephrine, through an executive order issued by the President. We asked,

Would you [support or oppose] the next President using their executive authority to order the government to buy, at fair market value, the patents for common and life-saving pharmaceutical drugs, like insulin and epinephrine, from pharmaceutical companies? This would enter those patents into the public domain, allowing any company to sell the drugs at a lower price, even if the original patent holder did not want the patent to be made public.

Voters could report if they strongly supported, somewhat supported, were unsure, somewhat opposed, or strongly opposed that item, and the item rotated the "support or oppose" or the "oppose or support" phrasing, as is typical with our surveys. Notably, we chose to refer to the common lifesaving drug epinephrine by its chemical name rather than by the more commonly known delivery device associated with that drug, the EpiPen, to mirror the intent of the executive order we polled.

Fully 53 percent of voters overall support such an executive order and just 23 percent oppose it. This support includes 41 percent of independents who support such an executive order compared to just 32 percent who oppose such an order. Republican voters are also split on this item, with 37 percent of Republicans supporting and 37 percent opposing it.

SUPPORT FOR EXECUTIVE ORDER TO BUY PATENTS FOR COMMON AND LIFE-SAVING DRUGS STRONGLY SUPPORT SOMEWHAT SUPPORT NOT SURE SOMEWHAT OPPOSE STRONGLY OPPOSE



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The second executive order item on this survey concerned ordering pharmaceutical companies to reapply for patents if the government was involved in funding the development of the drug. This item asked voters whether they would support allowing the next President to negotiate favorable terms for pharmaceutical patents to lower the price of drugs like insulin and epinephrine. We asked voters,

Would you [support or oppose] the next President using their executive authority to order pharmaceutical companies to reapply for patents for their drugs, if they used government funding to develop those drugs? This would allow the government to renegotiate the terms of those patents, which the government could use to require companies to sell common and life-saving drugs like insulin and epinephrine at a lower price.

Overall, voters support such an executive order by a 52-18 margin. This support includes 76 percent of Democrats and 55 percent of independents. Fully 50 percent of Republican voters support such an executive order as well, compared to just 32 percent of Republican voters who oppose it.

Drug pricing message test

In our early November survey we included an item that focused on pharmaceutical polling, asking respondents whether they would support the President using their executive authority to end the patent of ten specific expensively-priced drugs. As with our other message tests, this included a set of partisan arguments. Here, we asked voters,

Some Democrats have argued that the next President should use their executive authority to end the patents on ten drugs, including insulin. They argue that ending the patents will allow other companies to create generic versions of drugs, adding competition to the market and reducing the cost of drugs.

Republicans argue that this would reduce the incentives for drug manufacturers to invest in new drugs and destroy jobs in the pharmaceutical sector.

Would you [support or oppose] the next President using their executive authority to end the patents of drugs?





We found that almost half of respondents supported this proposition, with 26 percent of voters reporting they were unsure how they felt overall and another 26 percent of voters either somewhat or strongly opposing the policy. Net support for an executive order to end the patents on a few common and life-saving drugs was overwhelmingly positive, with voters supporting such a move by a +22 point margin.

Broken out by party identification, fully 63 percent of Democrats supported such an executive order with just 12 percent opposing it. Republicans indicated greater opposition with 43 percent saying they opposed executive action to end the ten drug patents and 33 percent in support. 37 percent of independents supported this use of executive authority; 23 percent opposed; and 40 percent were unsure. This item continued to portray the trends we observed in previous questions where independents are more unsure than their partisan counterparts on issues of executive action in pharmaceutical reform.

Voters across the political spectrum are ready for reforms to lower the prices of pharmaceutical drugs in the United States. This includes reforms that explicitly call for unilateral action by the President. Support for such reforms has been relatively high and stable over the past few rounds of Data for Progress polling.

Conclusion

We find strong support for the idea that a broad agenda to tackle pharma pricing would be effective politics for Democrats at the congressional and presidential level. Even when we simulate an environment in which Democrats are overwhelmingly out-spent, the core policy at the center of H.R.3 has durable public support.

One of these surveys, conducted on behalf of Data for Progress by YouGov Blue, fielded on YouGov's online panel and included 1,216 US voters. The survey fielded from November 9, 2019 - November 11, 2019. The results were weighted to be representative of the population of US voters by age, race/ethnicity, sex, education, US Census region, and 2016 US presidential vote choice. The second of these surveys was conducted by YouGov Blue as part of its registered voter omnibus and fielded on YouGov's panel from November 16, 2019 - November 18, 2019 and included 962 voters. The results were weighted to be representative of the population of US voters by age, race/ ethnicity, sex, education, US Census region, and 2016 US presidential vote choice.

ENDNOTES

- 1. One of these surveys, conducted on behalf of Data for Progress by YouGov Blue, fielded on YouGov's online panel and included 1,216 US voters. The survey fielded from November 9, 2019 November 11, 2019. The results were weighted to be representative of the population of US voters by age, race/ ethnicity, sex, education, US Census region, and 2016 US presidential vote choice. The second of these surveys was conducted by YouGov Blue as part of its registered voter omnibus and fielded on YouGov's panel from November 16, 2019 November 18, 2019 and included 962 voters. The results were weighted to be representative of the population of US voters by age, race/ethnicity, sex, education, US Census region, and 2016 US presidential vote choice.
- 2. Here, we include Independents who report they "lean" toward one party or the other with their respective parties. For example, respondents who identified as Independent but also that they leaned toward the Democrats are considered "Democrats" here, and same with Independents who report they leaned toward Republicans.

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