

Research finds 'dispense as written' prescriptions may add \$7.7 billion to annual health care costs

March 25 2011

Approximately five percent of prescriptions submitted by CVS Caremark Pharmacy Benefit Management (PBM) members in a 30-day period during 2009 included a "dispense as written" (DAW) designation. This practice – whereby doctors or patients demand the dispensing of a specific brand-name drug and not a generic alternative – costs the health care system up to \$7.7 billion annually, according to a new study by researchers at Harvard University, Brigham and Women's Hospital and CVS Caremark. Moreover, these requests reduce the likelihood that patients actually fill new prescriptions for essential chronic conditions.

In a study published this week in the *American Journal of Medicine*, the researchers demonstrate that DAW designations for prescriptions have important implications for medication adherence. They found that when starting new essential therapy, chronically ill patients with DAW prescriptions were 50 to 60 percent less likely to actually fill the more expensive brand name prescriptions than generics. "Although dispense as written requests would seem to reflect a conscious decision by patients or their physicians to use a specific agent, the increased cost sharing that results for the patient may decrease the likelihood that patients actually fill their prescriptions," the researchers said.

"This study shows that dispense as written requests are costing the [health care](#) system billions," said William H. Shrank, MD, MSHS, of Brigham and Women's Hospital and Harvard, and the study's lead author. "The

further irony is that patients with prescriptions specifying a certain brand seem less likely to fill their initial prescriptions, adding to the medication non-adherence problem."

"Previous to this study, little was known about the frequency with which doctors and patients request dispense as written prescriptions," said Troyen A. Brennan, MD, MPH, executive vice president and Chief Medical Officer of CVS Caremark and a study author. "Those who advocate for dispense as written and argue that the practice provides patients and physicians with greater choice will probably be surprised to learn that the practice increases costs and exacerbates non-adherence."

The study reviewed 5.6 million prescriptions adjudicated by CVS Caremark for two million patients from January 1 to January 31, 2009. The review found that 2.7 percent of those prescriptions were designated DAW by doctors, while another two percent were requested DAW by patients.

If existing safe and effective generic alternatives had been provided in place of those brand-specific prescriptions, [patients](#) would have saved \$1.7 million and health plans would have spent \$10.6 million less for the medications. The researchers said that assuming a similar rate of DAW requests for the more than 3.6 billion [prescriptions](#) filled in the U.S. annually, patient costs could be reduced by \$1.2 billion and overall health system costs could be reduced by \$7.7 billion.

Provided by Brigham and Women's Hospital

Citation: Research finds 'dispense as written' prescriptions may add \$7.7 billion to annual health care costs (2011, March 25) retrieved 3 May 2024 from <https://medicalxpress.com/news/2011-03-written-prescriptions-billion-annual-health.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.