

Doctors say cancer drug costs are too high

April 26 2013

More than 100 doctors from around the world have signed a letter decrying the high cost of cancer drugs which reach \$100,000 per year or more, and calling for pharmaceutical companies to ease prices.

The United States represents the "extreme end of high prices," leading to [healthcare costs](#) that amounted in 2011 to 2.7 trillion, or 18 percent of US GDP, compared to six to nine percent in Europe, the doctors wrote in the journal *Blood*.

The costs of [cancer drugs](#) vary widely by region and the [free market economy](#) has not helped lower prices, said the authors, all specialists in [chronic myeloid leukemia](#) (CML), a [blood cancer](#) that affects up to 1.5 million people worldwide.

"Of the 12 drugs approved by the FDA ([US Food and Drug Administration](#)) for various cancer indications in 2012, 11 were priced above \$100,000 per year," they wrote.

"Cancer drug prices have almost doubled from a decade ago, from an average of \$5,000 per month to more than \$10,000 per month."

In Europe, universal health care shields patients from the perils of high-cost drugs, said the letter, signed by lead author Hagop Kantarjian of the MD Anderson Cancer Center in Houston, Texas.

But in the United States "patients may pay an average of 20 percent of drug prices out-of-pocket (about \$20-30,000 per year, a quarter to a

third of an average household budget), and... medical illnesses and drug prices are the single most frequent cause of personal bankruptcies."

The authors suggested that setting high prices is akin to profiteering at a time of disaster, and called for dialogue among all sectors of health care to begin to change the situation.

They pointed to the popular drug imatinib, marketed as [Gleevec](#) in the United States and Glivec in other parts of the world, as a key drug with a rising price tag that brought its maker, Novartis, \$4.7 billion in revenue last year.

"Being one of the most successful cancer targeted therapies, imatinib may have set the pace for the rising cost of cancer drugs," the letter said.

Its price at the time of release in 2001 was \$30,000 per year, but by 2012 had risen to \$92,000 per year in the United States "despite the fact that all research costs were accounted for in the original proposed price."

In France, the same drug costs \$40,000 per year. In China and Australia it costs \$46,500, and in South Korea and Mexico, it costs around \$29,000.

In response, Novartis issued a statement saying its innovation "has changed the course of the disease," allowing nine out of 10 patients with CML to lead normal lives.

Before the release of the drugs Glivec (imatinib) and Tasigna (nilotinib), the five-year survival rate for CML patients was 30 percent.

"Over the years, our programs have evolved to improve patient access to our medicines. We work together with government health care systems, charities and other payors to build successful cost-sharing models,"

Novartis said.

The Swiss pharmaceutical group also noted that "globally, nearly one third of the [Glivec](#) produced annually is provided at no cost, to date reaching more than 50,000 patients in over 80 low-income countries."

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Citation: Doctors say cancer drug costs are too high (2013, April 26) retrieved 19 April 2024 from <https://medicalxpress.com/news/2013-04-doctors-cancer-drug-high.html>

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