

Specialty drugs may be worth the higher costs

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(HealthDay)—Despite high costs, specialty drugs may provide value that balances the price difference compared with traditional drugs, according to research published in the October issue of *Health Affairs*.

James D. Chambers, Ph.D., of Tufts University in Boston, and colleagues compared the additional costs and value of 58 specialty drugs and 44 traditional drugs approved by the U.S. Food and Drug Administration from 1999 to 2011. Value was defined according to published estimates of additional health gains measured in qualityadjusted life-years (QALYs).

The researchers found that specialty drugs were associated with higher additional costs of <u>drug</u> and health care resource use than traditional



drugs (median, \$12,238 and \$784, respectively). Specialty drugs offered greater additional <u>health</u> gains than traditional drugs (0.183 QALYs and 0.002 QALYs, respectively). Cost-effectiveness was comparable for the two types of drugs. Distributions in cost-effectiveness differed, with 26 percent of specialty drugs, compared with 9 percent of traditional drugs, associated with incremental cost-effectiveness ratios of greater than \$150,000 per QALY.

"Our study suggests that although specialty drugs often have higher costs than <u>traditional drugs</u>, they also tend to confer greater benefits and hence may still offer reasonable value for money," the authors write.

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More information: <u>Abstract</u>

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