

Drug prices to treat multiple sclerosis soar, point to larger problem

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Demyelination by MS. The CD68 colored tissue shows several macrophages in the area of the lesion. Original scale 1:100. Credit: [CC BY-SA 3.0](#) Marvin 101/Wikipedia

A new study released today found that drugs used to treat multiple sclerosis have soared in price in the past two decades, in some cases more than 700 percent, even though newer drugs have come to the

market - a process that normally should have stabilized or reduced the cost of at least the older medications.

There are no multiple sclerosis drugs now available in the United States with a list price below \$50,000 a year, which is two to three times more than the price in Canada, Australia or the United Kingdom. The group of drugs available to treat this disease is rising in price at five to seven times the normal rate of [drug](#) inflation in the U.S.

The findings of this research also point to a systemic problem in the U.S. [pharmaceutical industry](#), with relevance to more than just drugs for multiple sclerosis, according to the authors of the study, which was supported by the Oregon State University College of Pharmacy.

Enormous, uncontrolled and rapidly increasing prices for some types of drugs, they say, may be linked to non-transparent drug pricing policies, a dysfunctional market and the lack of a national healthcare system to negotiate prices more aggressively and directly with [pharmaceutical companies](#).

The end result, they say in the report, may be another industry "too big to fail."

This research was published today in *Neurology*, the medical journal of the American Academy of Neurology, by scientists at the Oregon State University/Oregon Health & Science University College of Pharmacy, the Oregon Health & Science University, and the Veterans Affairs Medical Center in Portland, Ore.

"The issue of astronomical drug costs, especially for newer drugs or rare conditions, is more and more common," said Daniel Hartung, lead author of the study and an associate professor in the Oregon State University/Oregon Health & Science University College of Pharmacy.

"There are often several drugs in a class available to treat a disease or condition, and 'economics 101' would suggest that competition should lower prices," Hartung said. "In the pharmaceutical industry we often don't see that. Many professionals now believe that it's time to push back, to say enough is enough."

Escalating costs for specialty pharmaceuticals, for conditions such as multiple sclerosis, cancer, and hepatitis C, have been a growing concern among many in the health care industry, the authors wrote in their study, raising questions about the ethics of our current approach, exorbitant pricing and increased burdens on "our already stressed healthcare system."

"Pricing in the pharmaceutical industry increasingly is a case of whatever the market will bear," Hartung said. "We used to think that any drug with \$1 billion in sales was a blockbuster, but last year a drug for hepatitis C had 10 times that, or \$10 billion in sales. This does not necessarily mean that drug research and innovation will be 10 times better."

In the specific case of multiple sclerosis, the research looked at first-generation drugs which became available in the 1990s at prices ranging from \$8,000 to \$10,000 a year. More competition from other drugs then entered the field. But instead of the price of the original drugs staying about the same or going down, as classic economic theory might dictate, their price soared. One drug that originally cost \$8,700 now costs \$62,400 a year.

The cause for escalation in the cost of these older drugs is unexplained and "alarming," the researchers said. It most likely was not attributable to a rise in manufacturing costs, and general and prescription drug inflation was only about 3-5 percent a year over the same period.

"The simplest explanation is that pharmaceutical companies raise prices of new and old MS disease modifying therapies in the United States to increase profits, and our healthcare system puts no limits on these increases," the researchers wrote in their report. "The U.S. Medicare program, the largest single-payer healthcare system in the U.S., is legally prohibited from negotiating drug prices directly with the pharmaceutical industry."

There's some evidence that generic drug growth might slow the rising drug costs in the U.S., the researchers said, but so far most multiple sclerosis drugs are not exposed to price competition from generics.

For the patient, the soaring costs of these drugs threaten access to them, the study indicated. Initial denials of insurance coverage for [multiple sclerosis](#) drugs, for both new and established patients, occur much more often now than in the past, the study reported, often requiring multiple approval steps for patients and their neurologists.

"As a doctor, I'm deeply concerned about making sure these life-changing drugs are within reach for patients," said Dr. Ruth H. Whitham, co-author of the study, a professor of neurology in the OHSU School of Medicine, and co-founder of the Multiple Sclerosis Center at OHSU. "The driving force behind this study was our experience that the high cost of MS drugs interferes with our ability to take good care of our patients."

"We decided to shine a light on this growing problem so that those of us who care for patients with chronic illness can work together and advocate for changes to drug pricing mechanisms," she said.

Hartung suggested that, lacking other major changes in the health care system, public awareness and involvement may be an important first step.

"The court of public opinion is pretty powerful," he said. "We need to shed some light on this issue and do something about it."

Authors of the study concluded that "it is time for neurologists to begin a national conversation about unsustainable and suffocating drug costs for people with MS - otherwise we are failing our patients and society."

Provided by Oregon State University

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