

Rising costs and potential savings for generic, topical steroids

April 29 2017

Although topical steroids are among the most commonly prescribed medications by dermatologists, there are limited data on spending and use for this class of drugs. In a new study led by investigators at Brigham and Women's Hospital, researchers have found that although most topical steroids prescribed to patients were generic, there was a sharp increase in Medicare Part D and out-of-pocket spending for elderly patients taking these drugs. The team found that potential savings could result from substituting cheaper, topical steroids from the same potency class of drugs. These findings build on recent literature that suggests pharmaceutical-led increases in costs of generic medications are leading to high increases in costs for systems and patients.

Their results are published online in *JAMA Dermatology* on April 28, 2017. The release of this article coincides with a presentation at the Society for Investigative Dermatology annual meeting.

The study was a retrospective, cost analysis of the Medicare Part D Prescriber Public Use File, which details annual drug use and spending on both generic and branded drugs from 2011 to 2015 by Medicare Part D patients who filled prescriptions for topical steroids. Medicare Part D is the Medicare prescription drug benefit program for patients over 65 years old. The team examined data from the total and potential Medicare and out-of-pocket patient spending. Their data show that Medicare Part D expenditures on topical steroids from 2011 to 2015 totaled approximately \$2.3 billion, with \$333.7 million out-of-pocket costs for patients. Despite an increase in the total number of prescriptions of 37

percent (an increase from 7.7 million in 2001 to 10.6 million in 2015), annual spending for Medicare increased 226.5 percent (from \$237.6 million to \$775.9 million) and out of pocket costs for patients increased 145.9 percent (from \$41.4 million to \$101.8 million) between 2011 and 2015. The potential health care savings and out-of-pocket patient savings from using alternative, cheaper topical steroids were \$944.8 million and \$66.6 million, respectively, over the study period.

"The increasing costs of generic [steroids](#) have led to massive increases in Medicare spending and increased out-of-pocket costs for our patients who are over 65," said Arash Mostaghimi, MD, MPA, MPH, senior author of the study and director of the dermatology inpatient service at BWH. "As physicians, we have prescription habits, but our research shows we need to identify cheaper options for patients, especially those who are older, on Medicare and have fixed incomes. We also need to work as a society to limit arbitrary increases in the [costs](#) of [generic medications](#) and give physicians the tools to identify and prescribe the cheapest drugs possible. This will improve [patients'](#) access to care while saving millions."

More information: Mostaghimi et al. "Medicare Part D for Topical Steroids Rising Costs and Potential Savings." *JAMA Dermatology* DOI: 170017.

Provided by Brigham and Women's Hospital

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