

Improving affordability of prescription drugs

February 6 2019, by Nardy Baeza Bickel

Out-of-pocket expenses for prescription medications impose a heavy financial burden, especially on low- and middle-income patients with chronic diseases, often reducing adherence to medication and worsening health outcomes. House Democrats have launched an investigation on the rising prices of life-saving drugs like insulin.

Minal Patel is the John G. Searle Assistant Professor in the Department of Health Behavior and Health Education at the University of Michigan's School of Public Health. Her research focuses on improving the capacity for both individuals and health systems to manage chronic diseases.

Patel was recently the lead author on a [policy statement](#) by the American Thoracic Society: Improving the Affordability of Prescription Medications for People with Chronic Respiratory Disease.

What do you think can be done to lower medicines' prices in the U.S.?

Patel: We can't implement any one solution. If we're really going to make changes around pharmaceutical policy in this country, there needs to be a long-term effort around that and we need to put resources behind that—not just monetary but people—to really look at solutions in both an evidence-based and nonpartisan manner.

This approach also recognizes that there are many different factors that are part of the pharmaceutical supply chain in the U.S., that it's not just pharmaceutical companies versus patients. It's a whole host of people

and we want to preserve those entities but we do need to make changes.

What are some policies that you recommend to start tackling this problem?

Patel: We propose establishing a nonpartisan group similar to how the U.S. Preventive Services Task Force operates to actually examine the evidence base behind different policy solutions. And if they are implemented, examine how they're being implemented so there aren't unintended consequences. We talk about the U.S. Preventive Services Task Force because that is a good model for how we think about evidence-based recommendations and we think that same model can apply in the pharmaceutical [policy](#).

We have a list of recommendations for an organized entity to tackle. These recommendations have been made before by several other groups—like increasing generic competition, looking at cost effectiveness metrics, looking at formularies so essential medicines are always tier 1, looking at patents so essential medicines are not staying highly priced.

If you do any one thing, the potential for it to negatively impact something else is quite high. Like any one of these things just don't work in a siloed way. That's why we think this entity should look at the big picture of how these various policies play out.

Could you explain in broad terms what's pushing the increase in medication costs?

Patel: When you look at the pharmaceutical supply chain, there are a lot of players in that chain. You have the manufacturers. You have the pharmacy benefit managers. You have insurance companies. And

through that whole chain, everyone has a price for their role. All of that contributes to rising [prices](#). And then another element of that is also competition. When you have the exclusive patents on branded medicines and no competition, it's keeping the prices high.

Insulin, for example, has increased almost three to four times the cost over the past 10 years. And respiratory medicines, such as many essential inhalers, have remained branded and, therefore, high priced for a very long time. They will start to get off patent but the prices are still high.

Provided by University of Michigan

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