

Out-of-pocket costs for neurologic medications rise sharply over 12 years

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The amount of money people pay out-of-pocket for drugs to treat neurologic conditions like multiple sclerosis, dementia and Parkinson's disease has risen sharply over 12 years, with the most dramatic increase for multiple sclerosis (MS) medications, according to a study published in the May 1, 2019, online issue of *Neurology*, the medical journal of the American Academy of Neurology. The study, funded by the American Academy of Neurology, found that average out-of-pocket costs for people taking MS drugs were 20 times higher in 2016 than they were in 2004.

One in six people lives with a neurologic disease or disorder. The [annual cost](#) of treating neurologic disorders in the United States is more than \$500 billion.

"With many new, high-priced neurologic drugs coming to market and a recent rise in use of high-deductible insurance plans, which shift costs to patients, it is likely out-of-pocket costs will continue to increase," said study author Brian C. Callaghan, MD, MS, of the University of Michigan in Ann Arbor and a Fellow of the American Academy of Neurology. "Since previous studies have shown that high costs can create burdens such as medical debt, skipping food or other essentials or even not taking drugs as often as necessary, we wanted to see how these costs affect people with neurologic disorders, which can be complicated, [chronic conditions](#)."

For the study, researchers examined out-of-pocket medication costs for

more than 912,000 people with MS, [peripheral neuropathy](#), epilepsy, dementia or Parkinson's disease using a large health care claims database. Study participants were privately insured and took at least one neurologic medication. Researchers investigated the top five most commonly prescribed medications for each condition as well as any other known high-cost drugs.

Researchers found that out-of-pocket costs for MS drugs showed the steepest monthly increase. People taking these medications paid an average out-of-pocket cost of \$15 a month in 2004 compared to an average of \$309 a month in 2016, meaning their out-of-pocket costs were 20 times higher over the 12-year period.

Out-of-pocket costs for brand name medications for peripheral neuropathy, dementia and Parkinson's disease also rose considerably.

Another notable finding was that costs for people in high-deductible health plans were twice as high for monthly out-of-pocket expense compared to those not in high-deductible plans. In 2016, people with MS in a high-deductible plan paid an average of \$661 per month compared to \$246 a month for those not in a high-deductible plan.

Researchers also found that out-of-pocket costs vary widely within neurologic conditions. For example, when looking at total costs over two years, 5 percent of people with MS paid a total of just \$90 while another 5 percent paid \$9,855 or more.

"Everyone deserves affordable access to the medications that will be most beneficial, but if the drugs are too expensive, people may simply not take them, possibly leading to medical complications and higher costs later," said Ralph L. Sacco, MD, MS, FAHA, FAAN, President of the American Academy of Neurology. "This is of great concern, so the American Academy of Neurology created a Neurology Drug Pricing

Task Force and is working to address the problems associated with ultra-high [drug](#) costs and actively advocating for better drug-pricing policies. This study provides [important information](#) to help us better understand how these problems can directly affect our patients."

Callaghan said, "Out-of-pocket costs have risen to the point where neurologists should be able to consider the potential financial burden for the patient when prescribing [medication](#), but they do not have this information available to them. Neurologists need access to precise cost information for these drugs in the clinic so when they meet with patients to make treatment decisions, they can help minimize the financial burden."

One limitation of the study was that it examined drug [costs](#) for only five [neurologic conditions](#). Another limitation was that not all drugs used to treat these conditions were included.

Provided by American Academy of Neurology

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