

# MS drug costs nearly triple over 7 years, even with introduction of generic, study finds

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The cost of prescriptions for multiple sclerosis (MS) drugs nearly tripled over seven years, and the introduction of a generic version of one of the most common drugs had little overall effect on prices, according to a study published in the January 15, 2020, online issue of *Neurology*, the medical journal of the American Academy of Neurology.

The study examined [costs](#) for disease-modifying drugs for MS from 2011 to 2017 based on a database for Medicaid. Researchers found spending on 15 MS drugs within the Medicaid program increased from \$453 million to \$1.32 billion during this time.

"Increased spending was primarily driven by increases in prescription costs, which doubled during this time period," said study author Daniel Hartung, PharmD, MPH, of Oregon State University in Portland and a member of the American Academy of Neurology. "Most of these drugs cost more than \$70,000 per year on average and costs for these drugs are among the highest drug cost areas for private insurers as well as Medicare and Medicaid. Unfortunately for people with MS, the introduction of a generic drug had a minimal effect on prices overall."

After adjusting for average rebate amounts paid to the Medicaid program, spending was lower but still more than doubled from \$278 million to \$600 million per year. Although some of the increase was due to the expansion of Medicaid through the Affordable Care Act, spending still more than doubled from \$2.00 per Medicaid enrollee to \$4.06 per enrollee during the study, Hartung said.

A generic version of the drug glatiramer acetate was introduced in 2015. The study showed that when the generic version was introduced, the cost of the name brand drug immediately increased by \$441 per prescription, followed by a slowing of the upward monthly trend.

"Before the introduction of the generic drug, the maker of the brand name drug worked to push its market share from the 20 mg dose to the 40 mg dose, which was not interchangeable with the new generic," Hartung said. "The low [market share](#) for the generic drug was also because the generic drug was only 15 percent less expensive than the brand name drug at 20 mg at approximately the same cost as the 40 mg dose when it launched. Of course, some doctors and patients may also be reluctant to switch to a generic drug for clinical reasons."

A second company introduced a [generic version](#) of glatiramer acetate in October of 2017, near the end of the study. Hartung said by the end of 2017, 36 percent of all glatiramer acetate was generic.

"After our study was complete, the company that introduced the second generic drug dropped its costs significantly, making it the lowest cost disease-modifying [drug](#) for MS on the market," Hartung said. "Despite this, there is an urgent need for more robust competition from generics within these MS drugs."

One limitation of the study is that it is based on the Medicaid program, which is for low-income people and people with disabilities, so it may not reflect the entire population of people with MS.

Provided by American Academy of Neurology

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