

Studies provide new evidence to battle drug price increases

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Two recent studies led by researchers from the University of Minnesota Medical School add new evidence to the impact of how drug price increases affect U.S. patients and the overall cost of health care.

The first study, published today in the *JAMA Network Open*, provides new data on how dramatic increases in anti-infective drug [prices](#) altered the overall cost of outpatient health care and decreased patient access to appropriate drug treatment. The study protocol was reviewed by the U.S. Centers for Disease Control and Prevention and scanned more than 100 million de-identified patient records to find roughly 89,000 cases of interest between 2010 and 2018. The results showed that:

- A standard-of-care (SOC) drug to treat hookworm increased from \$32.77 to \$1,660, which correlated with a decrease in patients receiving an appropriate drug from 43 percent to 28 percent.
- A SOC drug to treat pinworm increased from \$14.81 to \$130, which correlated with

a decrease in patients receiving an appropriate drug from 81 percent to 28 percent.

- A SOC drug to treat *Clostridioides difficile* (a control with little price change) remained mostly stable, increasing from \$53 to \$68, which correlated with an increase in patients receiving an appropriate drug from 69 percent to 77 percent.

"Our study shows that dramatic drug price increases lead to much higher outpatient costs and decrease appropriate [drug treatment](#) due to access issues and health care professionals switching to a substandard drug," said co-first author of the study, William Stauffer, MD, MSPH, FASTMH, who is a professor of medicine at the U of M Medical School. "More studies need to be done to confirm these findings, but this should increase policymakers attention as they consider solutions to extreme drug pricing."

The second study looked at state legislative action on the issue so far. Published in the *Journal of General Internal Medicine*, the research team reviewed all U.S. state laws enacted since 2015 to address drug price increases, as well as state bills being considered in 2020, and found several shortcomings. The study has two recommendations:

- Transparency laws were the most common type of legislative action, however, many of the transparency bills considered in 2020 don't require transparency until after the price increases occur—some up to one year after. The study recommends requiring transparency before price increases occur, so that vulnerable patients have time to seek alternative treatment options.
- Of those states that created affordability review bills, only 22 percent specify OPOE (off-patent, off-exclusivity) brand-name drugs, which are cheaper than patent-

protected, brand-name drugs and more prone to price hikes—as demonstrated by this team's 2020 study. The study recommends creating separate review thresholds for OPOE drugs to ensure they are not misclassified as brand-name drugs, which are allowed higher price increase thresholds.

"Prescription drug price increases inflate national health spending and are disproportionately felt by patients who are uninsured or have high deductibles," said Arman Shahriar, a U of M Medical School student and first author of the study. "Despite prescription [drug](#) price increases being a known problem for years, little has been done at the federal level, and states have not been unified in their approach. We want to make state lawmakers aware of the current landscape and future directions of this legislation."

More information: Junsoo Lee et al, Increases in Anti-infective Drug Prices, Subsequent Prescribing, and Outpatient Costs, *JAMA Network Open* (2021). DOI: [10.1001/jamanetworkopen.2021.13963](https://doi.org/10.1001/jamanetworkopen.2021.13963)

Shahriar, A.A. et al, Characteristics of State Legislation Addressing Prescription Drug Price Increases in the United States, 2020, *J GEN INTERN MED* (2021). DOI: [10.1007/s11606-021-06838-x](https://doi.org/10.1007/s11606-021-06838-x)

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