TRENDS IN COMPARATIVE EFFECTIVENESS OF TOP 20 HIGHEST SELLING DRUGS
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OBJECTIVES: The recently made coverage decisions by UK’s NICE, Scotland’s SMIC and the allocation of $1.1 Billion for comparative effectiveness research by the United States, are strong indicators of trends in pricing and reimbursement that are likely to be observed in the future. To gain an additional insight into these trends, we analyzed the cost effectiveness studies for the top twenty highest selling drugs (~$160B worldwide sales).

METHODS: Drugs were categorized as primary care, specialty, small molecules, biologics, therapy areas and availability of generic alternatives. Cost effectiveness ratios (CERs) published in peer-reviewed journals and technology assessments conducted by payers were used for this analysis.

RESULTS: There is a large variability in CERS for same drugs for different indications, in some cases also varying by biomarkers. Primary care drugs had lower and less variable CERS than specialty drugs. For example, CERS for clopidogrel range from $13,000 to $32,000, whereas for bevacizumab, it ranged from $125,000 to $350,000. Most striking was the CER for epoetin alpha, which was -$55,000 for HB target levels of 11.0–12.0 g, but increased dramatically to $613,015 for target HB of 12.0–12.5 g. Our analysis of generic alternatives and the ‘new clinical evidence’ shows that previously deemed cost effective drugs could be re-assessed as being not cost effective when generics or new branded drugs with comparable efficacy become available (e.g. CATIE trial data for quetapine). This would play a major role in the future, as more payers, including the US extended the CMS, explore ways to design a continuum in the coverage making process, implying that updated cost effectiveness ratios could change previously established coverage policies.

CONCLUSIONS: This analysis shows the range, variability and methods used for calculation of ICER values for these high budget impact drugs and provides lessons for executives and policy makers.