

Runaway Specialty Rx Spending

A Prescription for Higher Health Care Premiums

The amount a health plan spends on prescription drugs continues to rise, with an alarmingly significant shift in the marketplace toward “specialty” drugs. This drug class is far more expensive than “traditional” drug classes and is becoming the most serious driver of prescription drug costs, and therefore premium increases, for the foreseeable future.



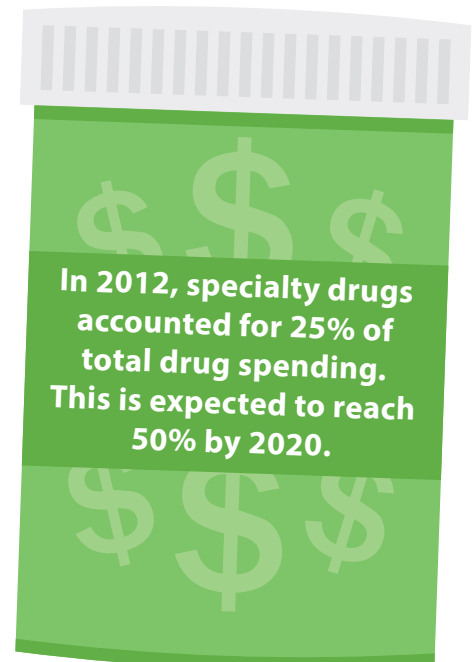
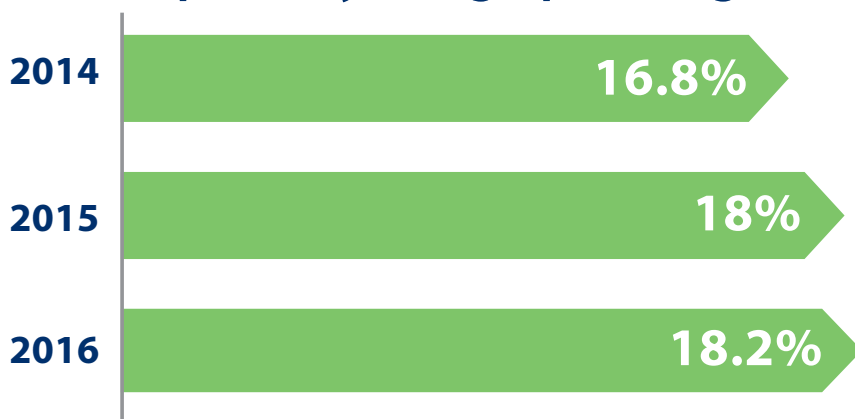
Nationally,

\$240

is spent just on the top 10 classes of specialty drugs per member, per year.

Sovaldi, the \$1000/pill treatment for Hepatitis C, which has attracted substantial media attention, is just one example of the tidal wave of high-cost specialty medications currently in the marketplace or on the horizon. The price of Sovaldi, not including other drugs that must be taken at the same time, is estimated to be between \$84,000 and \$168,000 for a course of treatment lasting 12 or 24 weeks.

Cost Forecast: Specialty Drug Spending



Spending on specialty drugs is fueled by a number of factors including new products coming into the marketplace and an increase in prescriptions.

Source: Coalition on Sustainable Drug Pricing
<http://www.csrpx.org/portfolio-item/10677/>

Identifying the Top Specialty Drug Classes

Specialty Class	Average Per Prescription Cost
Inflammatory Conditions	\$2,551.10
Multiple Sclerosis	\$4,137.23
Cancer	\$4,023.18
HIV	\$1,029.45

Source: The 2013 Drug Trend Report, The Express Scripts Lab, April 2014