


Pharmaceutical Companies Use Drug Coupons to Increase Profits and Keep Prices High!

Coupons increase drug costs by at least **\$69 billion** over a decade.*** Here's how:

By offering consumers lower out-of-pocket costs at the point of purchase with coupons, brand-name drug manufacturers steer patients towards their more expensive drug as opposed to an equally effective, more affordable generic or brand alternative.

According to a study published in the *American Economic Journal*, copay coupons increased drug spending by up to **4.6%**


Each
1% increase


Equals
approximately

**\$1.5
BILLION**
in higher drug
spending annually!*

DID YOU KNOW: drug coupons are banned in federal programs as illegal kickbacks?

Those high costs can then boomerang back to patients in the form of higher insurance premiums.

Pharmaceutical Manufacturers' Profits from Coupons = \$100 billion!****

*Drug makers provide in excess of \$5 billion in coupons each year.** For every \$1 million in coupons, drug makers reap \$20 million+ in profits!**

Offering drug coupons is like using a Band-Aid for an amputation!



Drug coupons increase profits for wealthy prescription drug manufacturers but cost everyone else through higher health insurance premiums

Solutions are found at the source - Manufacturers must lower their prices!

Albany is poised to pass legislation (S.5299A/A.1741A) that will increase insurance premiums by encouraging patients to use drug coupons!

Source: *American Economic Journal: Economic Policy 2017, 9(2): 91-123. [available here](#)

***State of the Art: Highlights from CBI's 2016 Formulary, Co-Pay and Access Summit," Pharmaceutical Executive PSKW, June 2016, p. 14. [available here](#)

***4.6% X \$1.5 billion X 10 = \$69 billion (Increased Drug Costs per decade)

****\$5 billion in coupons ÷ 1 million X \$20 million in profits = \$100 billion (Profit from Coupons)

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