

RUNAWAY

AFFORDABLE PRICES FOR REAL CURES



[RunawayRx](#), a project of the California Association of Health Plans, highlights noteworthy articles and information on the acceleration of prescription drug pricing.

A new [report](#) from Express Scripts provides yet another data point illustrating the extent of America's drug pricing problem. The report finds that spending on brand name drugs has almost doubled in the last five years alone. Modern Medicine's coverage of the report underscores the need for greater transparency in drug pricing.

Brand and specialty drug spending spikes

March 21, 2016 | By Christine Blank

"Spending on brand name drugs spiked 16.2% in 2015 and 98.2% since 2011, according to a new report from pharmacy benefit manager (PBM) Express Scripts. Plus, a third of branded products experienced price increases greater than 20% in 2015, according to Express Scripts' annual [Drug Trend Report](#).

"Specialty medications remain a key contributor to drug spending for payers, accounting for more than 37% of drug spend in 2015, and forecast to reach 50% by 2018. Spending on specialty medications jumped 17.8% in 2015...

Spending on brand name drugs has nearly doubled in the past five years.

"Among non-specialty therapy classes, diabetes was the most expensive, with an overall increase in spending of 14%, driven equally by increases in utilization and unit cost. Lantus (insulin glargine), the preferred insulin on our NPF, had a 13.7 % decrease in unit cost. "However, high costs for pre-filled insulin pens and newer, expensive therapies continue to drive spend in the category," Express Scripts said in a statement.

"The PBM also found that patients in the healthcare exchange are spending more on prescriptions. "The overall increase in spending between 2014 and 2015 for the exchange population was 14.6%, higher than the trends among commercial, Medicare and Medicaid populations," according to a statement from the PBM."

Read more: <http://formularyjournal.modernmedicine.com/formulary-journal/news/brand-and-specialty-drug-spending-spikes>.

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The California Association of Health Plans' RunawayRx project sheds light on the acceleration of prescription drug pricing and how it impacts health care affordability, encouraging a route toward sustainable pricing. For more information, please visit www.RunawayRx.org or follow us on Twitter at [@Runaway_Rx](https://twitter.com/Runaway_Rx).