



**DRUGS THAT LOST  
 PATENT PROTECTION**

July 2008		
BRAND NAME	GENERIC NAME	INDICATION
PREVACID	lansoprazole	Acid reflux
RISPERDAL	risperidone	Mood stabilizer
RISPERDAL CONSTA	risperidone	Mood stabilizer
CAVERJECT IMPULSE	alprostadil	Erectile dysfunction
GENOTROPIN	somatropin recombinant	Growth hormone
GENOTROPIN PRESERVATIVE FREE	somatropin recombinant	Growth hormone

**COMMENT:** Please check your formulary and benefits to ensure that patients have the choice to pay a generic copay for the drugs above.

**GENERIC DRUGS AT 63% OF MEDICARE  
 PART D MARKET VS. 50% LESS  
 THAN THREE YEARS AGO**

Key facts from 2007:

- Fewer patients (15.5%) entered the coverage gap ("DONUT HOLE") in 2007 vs. 17.1% in 2006.
- Patients were willing to stay on their branded medication while in the coverage gap for the first 60 to 90 days.
- As the average stay in the gap increased to over 100 days, many patients chose to switch to a generic.
- Among those in the coverage gap who discontinued their brands, only 6% returned to branded medication after leaving the gap.
- There is a \$72 difference between the cost of a 30-day supply of cholesterol medications to the patient between a brand

**SPECIALTY DRUGS – TRENDS  
 AND REBATES**

Payers are very concerned about the rising cost of specialty drugs. PBMs have a mission to find the "best price" for drugs and to work for employers and insurers in managing the distribution of prescription drugs. However, spending on specialty drugs rose 16.5% in 2006, growing twice as fast as traditional drug spending, and totaled about \$62 billion, or about 23% of overall drug sales in the US.

**Published estimates show that the main drug benefit managers make as much as 10 to 15 percent on each sale of a specialty drug,** whose prices can range from \$5K a year for certain anemia drugs to \$389K for Soliris, a drug for a rare blood disorder.

Employers and organizations including General Motors, Caterpillar and Calpers report that their **spending on specialty drugs is growing at double the rate of the rest of their drug benefits for employees.** A group of large- and medium-size companies, including Kinder Morgan Energy and Enodis, recently negotiated a rebate of \$15 per prescription from CVS Caremark on each prescription filled for all specialty drugs listed in a Caremark contract.

**COMMENT:** Rebates on specialty drugs are growing. Expect typical rebates for specialty drugs to be between 3 to 10 percent of the sales price.

**ARE YOU OVER SPENDING ON PHARMACY  
 BENEFIT COSTS AND WANT TO KEEP  
 DRUG TREND AT SINGLE DIGIT OR LESS?**

The Pro Pharma Quality Management Program™ is proven in markets nationwide to increase

- and a generic.
- In 2007, Medicare patients paid, on average, \$21.99 for a 30-day supply of branded drugs in the top 10 therapeutic categories compared to \$17.58 in 2006 - an increase of 25%.

Ref: IMS

**COMMENT:**

Commercial plans are benefiting from Part D. For example, patients paid an average of \$26.31 for a 30-day supply in 2007 versus \$37.54 in 2006. Distribute to the same information to your members that Part D patients are receiving. This will help to stretch their copay dollar.

quality outcomes and decrease costs associated with managing the Pharmacy Benefit, which puts dollars back in your pocket. Our methodology is to integrate therapeutics with prudent business principles to achieve cost contraction as a result of improved quality management. Savings accrue from Physician-accepted General Education about Evidence-Based practice and information about the cost-effectiveness of competing medication.

**This results in decreased Trend relative to the national average and a minimum ROI of 2:1 in savings to your organization.**

If you are interested in having additional information, please refer to our website at [www.propharmaconsultants.com](http://www.propharmaconsultants.com) or contact Carol Stern at (888) 701-5438.

**Pro Pharma Pharmaceutical Consultants, Inc. has assisted Payers and Providers for over 22 years to Maintain Quality while Controlling Costs.**

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