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Editorial
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Editorial

18 Million in the USA cannot afford needed drugs

The editor recently came across a disturbing report regarding an estimated 18 million Americans who cannot pay for their needed medications. This is a very unfortunate situation, especially for a wealthy country such as the USA. That report from West Health and the Gallup Survey was dated September 2021. The main finding of the report was that in June 2021, 7% of US adults reported that during the previous 3-month period that they were unable to pay for at least one doctor-prescribed medication for someone in their household. Moreover, in households with annual income less than US$24 000, the percentage grows up to 19%.

This does not speak well for medication security. As might be expected, the percentages were inversely proportional to annual income levels. However, age tells a different story. Persons aged 18–64 years had about an 8% amount of inability to pay episodes, while those 65 and over had only a 4% incidence. This is most likely due to the mandatory Part D (outpatient prescription drug insurance) for Medicare beneficiaries (persons aged 65 years and older).

This situation might be remedied by one of the several means. As is the case in Western Europe and much of the world, there could be a national, single-payer healthcare system providing universal healthcare coverage with funding from general tax revenues and/or deductions from salaries. Most of those countries utilize a process of negotiation with drug manufacturers to arrive at an agreed upon selling price. That price to the patient might be reduced by government subsidies in some cases for extremely costly drugs and for drugs where compliance is in the national interest. For example, medications for hypertension prevent strokes and heart attacks, permitting hypertensive persons to remain on the job, supporting their families and keeping them out of costly hospital or nursing home care. There is a small but growing level of governmental ownership of generic drug manufacturers. These low-cost generic drugs are dispensed at public clinics and at other public sector healthcare facilities.

Prescribed medicines are priced far lower in nearly all countries outside of the USA. In addition to price negotiations between manufacturers and the government (the buyer), mentioned previously, some countries use a system, called reference pricing. In reference pricing, a country sets a position, such as midway, comparing the prices for that same product in 5 or 6 nearby, similar nations. Let us say that Spain wants to establish a price and learns that the price is $5.00 per tablet in Portugal; $4.75 in Italy, $5.25 in France and $5.00 in Andorra. It is likely that Spain might set a $5.00 price. If they wanted to be the lowest, they might settle on $4.75.

Some countries require that less costly generic drugs be used, but the very latest drugs will not have a generic version for over a decade. That is the same case with biologicals where biosimilars are often used to reduce costs, but where there are not too many biosimilars commercially available. A relatively new concept is value-based pricing where the manufacturer will get one price if the drug product is superior to existing drugs currently on the market, but if the new product is less effective at achieving desired outcomes, the buyer will pay a predetermined lesser price. The seller and buyer would be expected to determine the price at various levels of endpoint goal meeting.

Some health systems use a disease management step-by-step process. For example, for hypertension, the first drug might be the very inexpensive diuretics. If that is not successful, then a generic calcium channel blocker might be used and a third line would be a generic ACE (angiotensin-converting enzyme) inhibitor or ARB (angiotensin receptor blocker). Very new branded drugs would be tried next.

From the West Health–Gallup study, we learned that medication insecurity climbs with chronic conditions, and that 10% of interviewed persons skip some scheduled doses to save money. The solutions involve an emphasis on lower-priced products, more robust insurance coverage or combinations of these avenues. In any case, there is little time to waste in figuring out a way to eliminate medication insecurity.

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