

Background

- Generic medications are supposed to be a cheaper equivalent product to brand name medications.
- Over the past 4 years, there have been dramatic increases in the prices of generic products.
- This has caught the attention of Congress and prompted the investigations of companies who have greatly increased the prices of generic medications.

Objective

- To analyze the top 20 generic drug price spikes and trends from November 2013 to September 2016 according to the Centers for Medicare & Medicaid Services weekly data.

Method

- The National Average Drug Acquisition Costs (NADAC) data published by the Centers for Medicare & Medicaid Services were examined from 2013 to 2016.
- Files were analyzed to identify the top 20 generic products with the highest percentage NADAC increase that occurred in one week during that period.
- The number of NDCs, date of price spike, and dosage form of each medication was also recorded.

Results

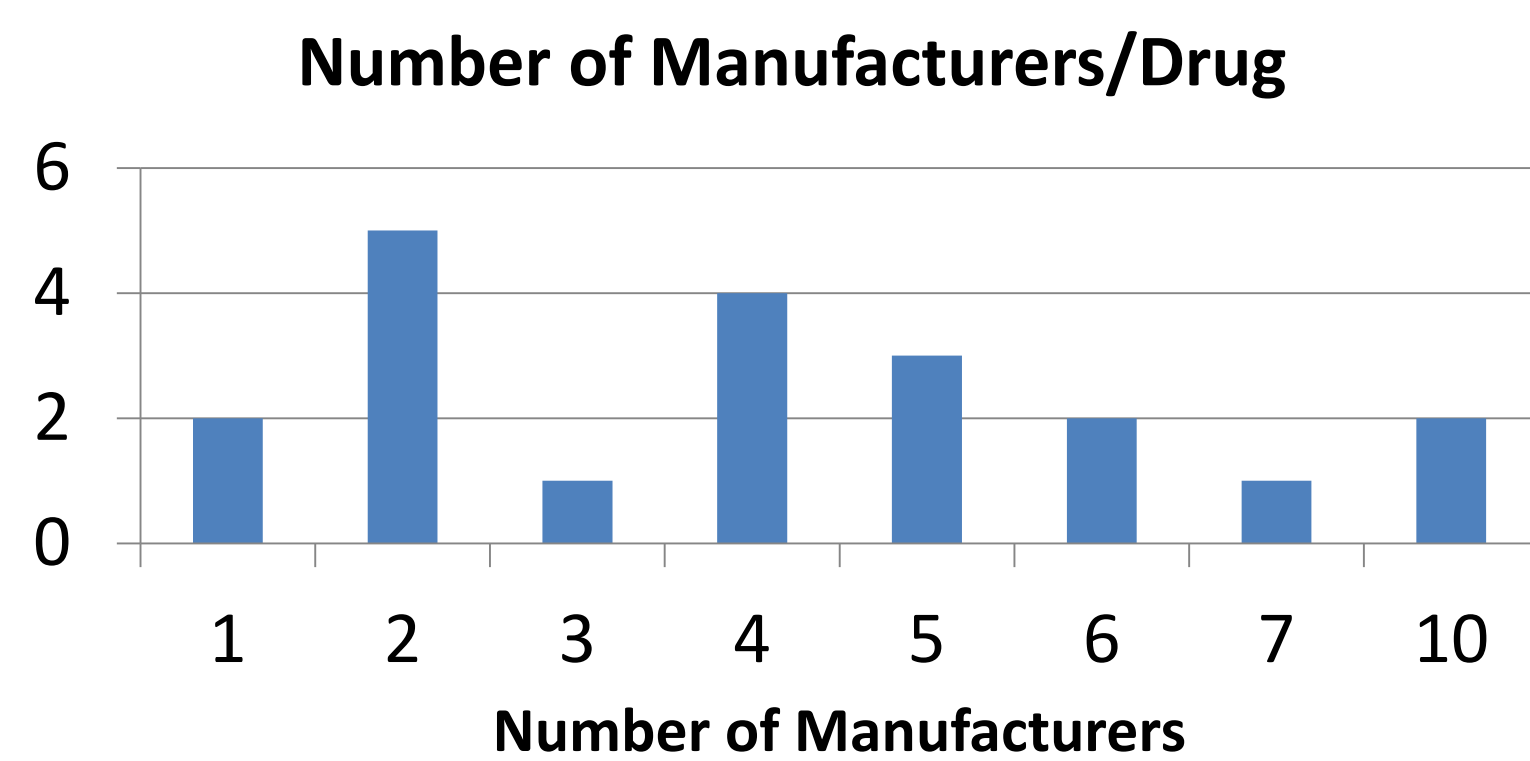


Figure 1. The number of manufacturers did not appear to correlate with price changes.

Results (Continued)

Figure 2: Top 20 Generic Drug Price Spikes

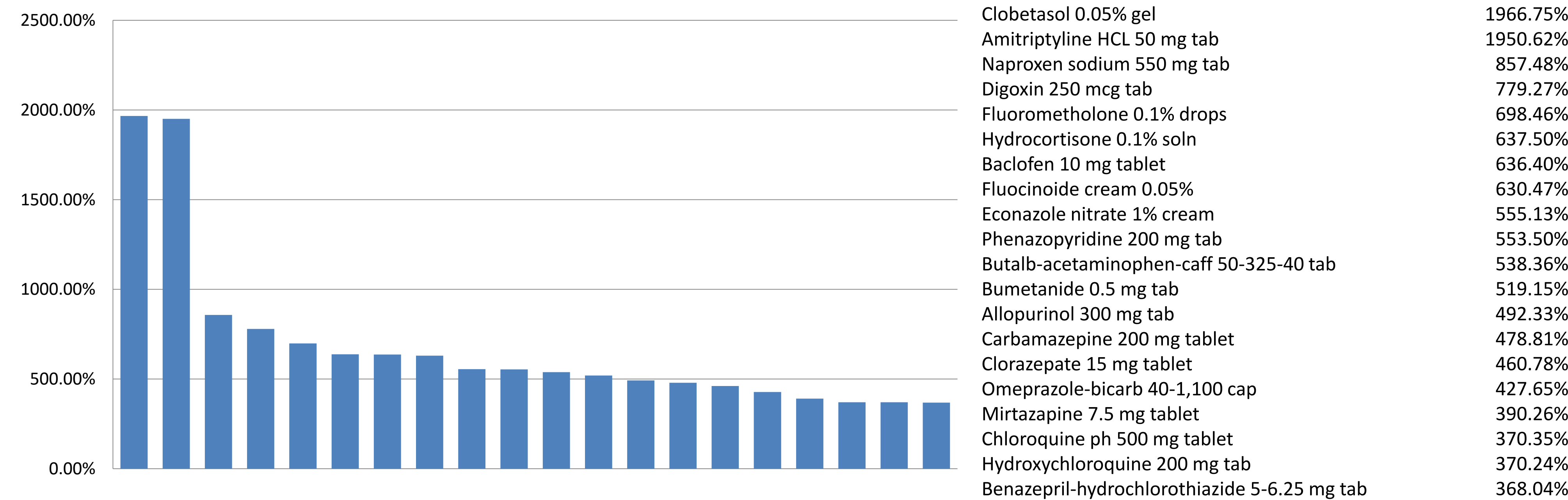


Figure 2. The top 20 generic drug price increases ranging from 368% to 1967%.

Figure 3: Dosage Form Distribution

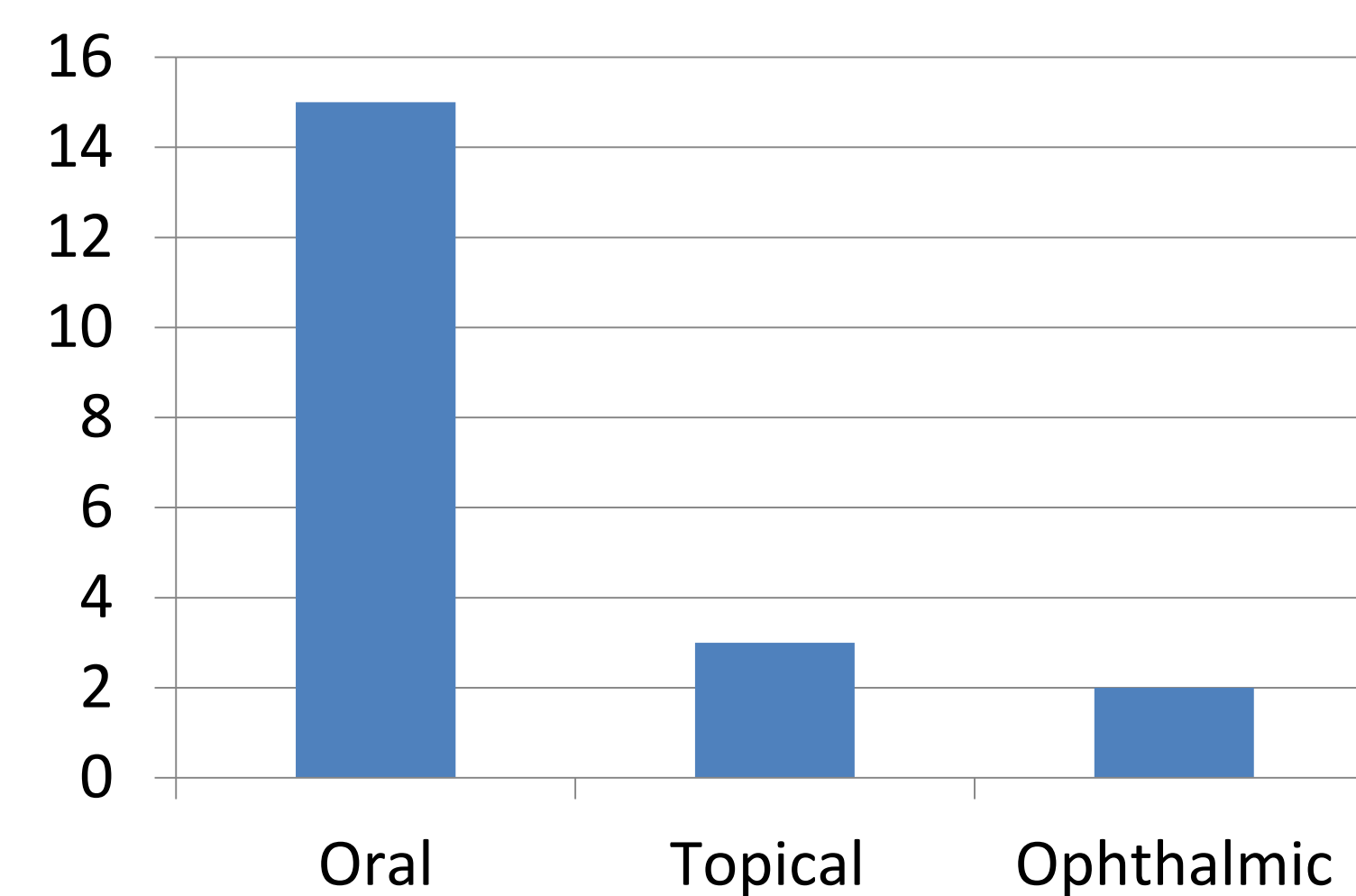


Figure 4: Clobetasol 0.05% gel

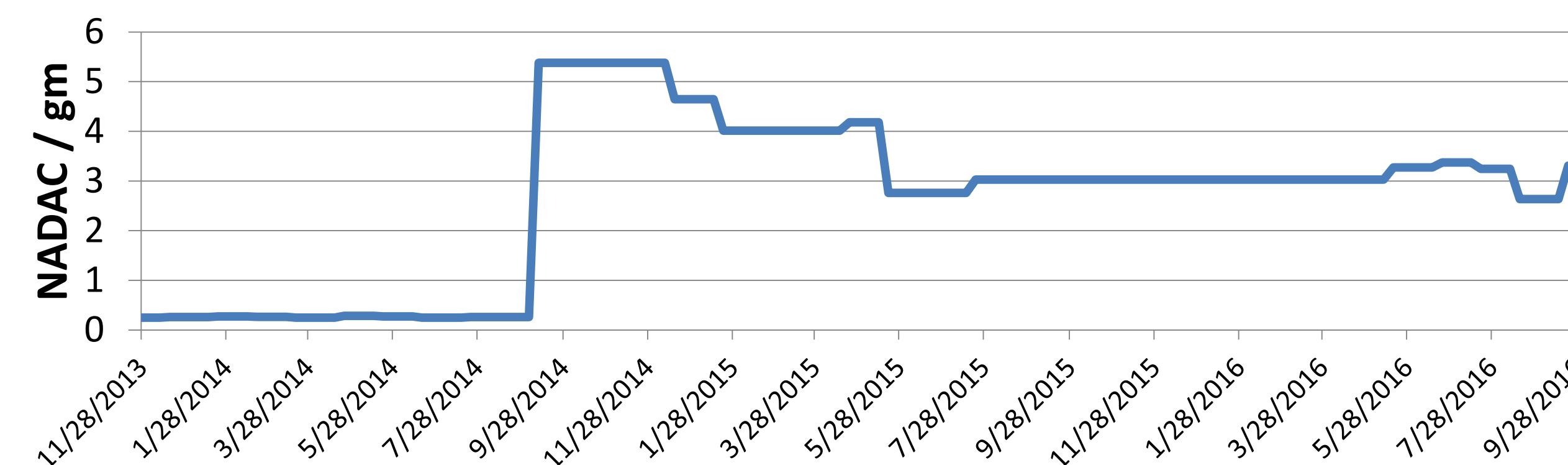
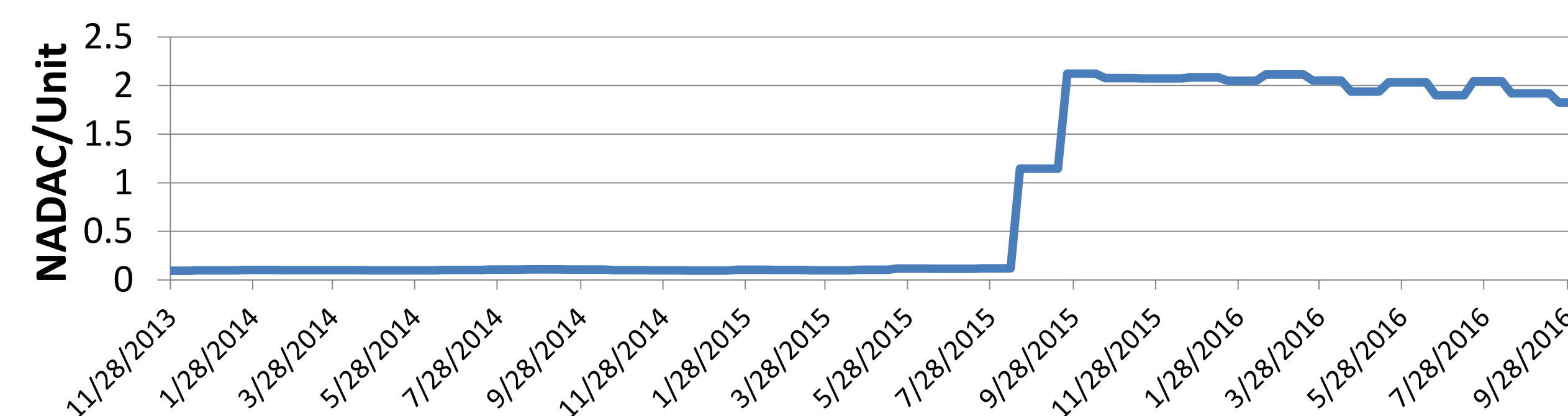


Figure 5: Naproxen Sodium 550 mg tab



Discussion

- The top 20 generic drug price increases ranged from 368% (Benazepril-Hydrochlorothiazide 5-6.25 mg Tablet) to 1967% (Clobetasol 0.05% Gel) from November 2013 to September 2016.
- Of the 20 drugs, 15 (75%) are oral administration products, 3 (15%) are topical administration products, and 2 (10%) are ophthalmic administration products.
- After the price spikes that occurred in 1 week, 8 drugs had a lower NADAC trend from the hike, and 12 drugs had a higher NADAC from the hike.
- However, all 20 drugs had a higher NADAC than baseline starting price.
- Over the 3 years, 2014 had the most 1 week price spikes.
- The number of manufacturers did not appear to correlate with price changes.

Limitations

- Drugs were ranked by the price increases that happened in one week. Data does not rank overall price increases.
- Only one dosage form of each drug was used.

Conclusions

- Select generic products have had significant price spikes between November 2013 to September 2016.
- Price increases ranged from 368% to 1967% and oral products had the most spikes.
- Furthermore, trends indicate that prices never fall below the original baseline price.
- Further research is needed to quantify generic prices increases and the rationale behind these changes.

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