Medicines are helping to control rising health care costs through their role in reducing the need for other more costly interventions.

Fact:
Patients who adhere to their medication regimens enjoy better health outcomes13 and make less use of urgent care and inpatient hospital services, compared to patients with similar medical conditions who are not adherent.14,15

Fact:
The link between prescription medicine use and spending on other health care services among Medicare D patients showed an overall savings of $13.4 billion in 2007, the first full year of the program.16

Fact:
Prescription medicines continue to comprise only a small portion of health care spending in the United States. In fact, medicines have accounted for only 10 cents out of every health care dollar spent.17

Fact:
The research and development process is complex, costly and time-consuming. On average, it takes 10-15 years and costs $1.2 billion to advance one potential new medicine from a research concept to an FDA-approved treatment. On average, only one of every 10,000 new compounds becomes a new drug. Roughly 95 percent of candidates entering clinical trials will eventually fail.18

Fact:
Biopharmaceutical research companies invested an estimated $48.5 billion in new research and development in 2012 — the largest R&D investment of any sector in the U.S. economy.19

Fact:
Our health insurance system was founded on the premise of risk management where health care costs are spread across sick and healthy patient populations. This includes access to innovative medicines and preventative treatments and cures, which has been proven to reduce the use of higher cost conventional health care services.
A wide range of studies show: Improved use of recommended medications is associated with reduced total health care costs.

Biopharma innovations accounted for 73% of the total increase in life expectancy between 2000-2009.

60,000
HEART ATTACKS REDUCED
22,000
STROKES REDUCED

In one year alone, statins saved 40,000 lives, prevented 60,000 heart attacks and 22,000 strokes and reduced related health care costs by 27% per patient.

27%
SAVINGS PER PATIENT

The value of medicine and prevention:

$1 MORE spent on diabetes medicines = $7.10 LESS spent on other services.

For every $1.00 the U.S. spends on childhood vaccinations, $10.20 is saved in disease treatment costs.

Innovations in Hepatitis C treatments are providing a cost-effective cure to the disease: $94,000 for a three-month course of treatment vs. $600,000 liver transplant + $6,000 ongoing monthly costs post-surgery.

Innovative cancer treatments have resulted in 30% increase in survival rates in the U.S.

Innovative and supplies account for only 12% of the total cost of diagnosed diabetes in the U.S.

See back page for sources.