Breakthrough Medications Save Money and Save Lives

According to a 2014 federal report by the Centers for Medicare and Medicaid Services (CMS), retail prescription medicines will continue to account for less than 10 percent of total health care spending through 2023—the same percentage as it was in 1960.¹

The argument that specialty drugs are the main health care cost driver is misleading when the fact is 86 percent of prescriptions are for lower cost generic medications.²

The U.S. will spend three times more on hospital care over the next decade than the total spending on prescription medicines.¹

Less than five percent of U.S. patients, typically those with severe or rare health conditions, use higher-price “specialty medications”—meaning the vast majority of patients use lower cost, more affordable prescriptions.³

From 1998 to 2003, insurance companies increased premiums by an average of $104.62 per person. During that same period, drug costs only rose by $22.48 per person.⁴

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Patients who adhere to their medication regimens enjoy greatly improved health outcomes and make less use of more costly health services such as emergency room and doctor’s visits, hospitalizations and long-term care.123,4

- 85% drop in HIV/AIDS deaths
- 45% reduction in cardiovascular related deaths
- 90% cure rate for Hepatitis C
- 73% increase in life expectancy
- 30% increase in cancer survival rates

“New, better medications are actually the best and swiftest way for this country to cut down on our health-care expenses. By more efficiently combating disease and improving patients’ lives, drugs reduce long-term medical costs and bolster the overall economy.”5

Peter Pitts
former FDA Associate Commissioner
& President of the Center for Medicine in the Public Interest

“Virtually every study of medical innovation suggests that changes in the nature of medical care over time are clearly worth the cost.”6

David Cutler
Harvard University health care economist & Health Care Advisor to President Obama

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