

We win exceptional verdicts and settlements for our clients in cases of brain injury, medical malpractice, wrongful death and other severe injuries.

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The Life You Save: Nine Steps to Finding the Best Medical Care -- and Avoiding the Worst

Becoming a Smarter Buyer of Prescription Drugs

Filling a doctor's prescription should be simple, especially if it's a drug you've used before. But getting even "routine" prescriptions for an affordable price can be challenging. Are generics available? Are they suitable substitutes? Where were the drugs made? What about insurance coverage? And finally, drug shortages can play a role.

According to GoodRX, a drug comparison website, 45 in 100 Americans have trouble paying for their prescription medicines, and more than 1 in 4 don't fill a prescription they've been given by their doctor because they can't afford it.

This month, I discuss how you can lower your prescription drug costs by understanding how they move from manufacturer to pharmacy to consumer, and by asking the right questions of the people in control of providing your meds.

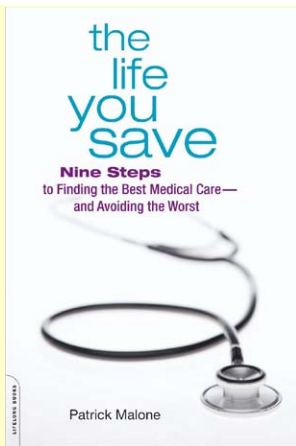
Understanding Your Medicine

When your doctor prescribes medicine for the first time, ask these questions:

- Why is this the best treatment?
- What will happen if I don't take it?
- When can I expect to see results?
- What are the side effects, and how likely am I to experience them?
- What are the risks?
- Are there foods or other medicines I should avoid when taking this medicine?

If you're comfortable with the answers, the next question is whether a generic version of the drug is acceptable. (Sometimes doctors prescribe the generic, or indicate on the prescription that the pharmacist may substitute the generic.)

Generic drugs are identical to their brand-name versions in terms of



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Read our [Patient Safety Blog](#), which has news and practical advice from the frontlines of medicine for how to become a smarter, healthier patient.



the active ingredient; they might be compounded differently, or come in a different form, but their effect on the body must be the same as the brand name, whose manufacturers are permitted to sell the drug exclusively for a period of time. After that patent protection expires, generic versions are allowed to be marketed, and, usually, they're less expensive.

So, the older the drug, the likelier it is to have a generic form, and to be less expensive.

As explained by Michael Kleinrock, in a story in the [Los Angeles Times](#), generic drugs save consumers a \$8 billion to \$10 billion a year at retail pharmacies. Kleinrock is director of the health-care research firm IMS Institute for Health Informatics. The organization pegs the percent of prescription drugs we use that are generic at 86%, and puts their average out-of-pocket costs to consumers at less than \$10.

But all generics are not equal, as we'll discuss.

Getting the Right Generic Drug

Although generic drugs are usually the best, least complicated way to reduce the cost of prescription medicine, sometimes the drug industry makes it more difficult to get them, and if they are available, you must be confident of their quality.

In our patient safety blog, we've discussed an [unsavory practice by some pharmaceutical companies](#) to extend their exclusivity for certain brands, known as "pay for delay." The drug's patent holder pays off other manufacturers to withhold creating generic versions so that patients will pay higher prices for a longer period. Legislation has been introduced in Congress to address the problem, but that's as far as it's gone.

If a generic is available, and the drug is included in your insurance plan's formulary -- the list of medications a given benefit plan will subsidize -- you have to ensure that the manufacturer adheres to the highest quality standards. Unfortunately, there have been many recent reports of generic drugs produced overseas (particularly in places like India and China) that have been contaminated and/or not compounded as required. Obviously, they can cause serious harm, and otherwise fail to work right.

When ordering a generic drug, ask the pharmacy -- retail, online or the one your insurance plan requires -- where the drug is made. If it's from a developing nation, ask if the pharmacy has investigated the

plant where it's made, and how it knows it's compounded properly. If you don't get a satisfactory answer, reconsider that order.

Shortages Are Common, and Expensive

Sometimes, even a generic drug is in short supply. So if the demand for them increases, so does the price. Even though most Americans take lower-cost generic medications, and their insurance plans provide incentives to do so, Kleinrock told The Times that you can't assume all generics are inexpensive.

One common drug currently in short supply, says the FDA, is lidocaine. (See the FDA list of current drug shortages [here](#).) One patient profiled in the L.A. Times story who uses lidocaine patches to control the chronic pain of her lupus has seen the cost of them rise this year from \$15 for a 30-day prescription to nearly \$30. Given the extraordinary inflation of some meds, that increase could be considered modest.

[As we've blogged](#), manufacturing delays due to aging factories and generic companies devoting production to only the most profitable drugs can create shortages that raise the price.

As reported in the Los Angeles Times, several products are produced by only a few companies. So price increases can occur as a rebound effect when patents expire, and generics enter the market. At first, the price can drop so much that some producers discontinue it. With reduced competition among the remaining manufacturers, demand overcomes supply.

Considering Insurance Coverage

One huge factor in a patient's out-of-pocket cost for prescription drugs, whether they're generic or brand name, is insurance coverage.

If you take a drug your plan's formulary doesn't include, or if it's dropped from the list, your cost will rise, sometimes a lot. And as the health-care landscape continues to be reshaped by employers seeking to cut benefit costs, and the limited networks of many plans under the reforms of Affordable Care Act ("Obamacare"), many people pay higher out-of-pocket costs than they used to for all their medical care.

According to the L.A. Times, 1 in 5 people with work-based insurance have a high-deductible plan. That means they pay the full cost of their care until they reach a certain dollar amount. According to the IMS Institute report, the average deductible is up more than 150% from five years ago. The vast majority of plans carry a deductible, the average of which is at least \$1,000.

Health-care reform has prompted insurance companies to cut costs wherever possible, and according to more than 300 patient advocate groups, a big budget target is the cost of expensive prescription drugs. As reported by the [Associated Press](#), groups including the American Lung Association, the National Kidney Foundation and the Epilepsy Foundation wrote to the Secretary of Health and Human Services, charging that when it comes to coverage of the drugs they need, some insurance company tactics "are highly discriminatory against patients with chronic health conditions and may ... violate the (law's) nondiscrimination provisions."

As the story notes, before Obamacare, insurance plans covering individuals could exclude prescription coverage. Now they can't pick and choose that feature, but they can manipulate the share of coverage.

Some plans require patients to pay 30% or more for drugs that costs thousands for a month's supply, such as HIV drugs, some cancer medications and multiple sclerosis drugs. Even with an annual cap on prescription costs, reaching it can be financially devastating.

Even Medicare's Part D drug program costs too much for some people. According a recent story in the [New York Times](#), the number of people who practice "cost-related nonadherence" -- which means you stop taking your meds, skip doses or reduce them in order to make them last longer -- has increased because the drugs are too expensive.

And, Part D plans appear to be covering fewer meds, just like other insurance plans.

If you suffer from a chronic condition for which you need expensive medication, and your insurance plan's coverage is unaffordable, contact the patient advocate group affiliated with your disease or disorder, and the manufacturer, both of which may have drug subsidy programs, as explained below.

How to Reduce Drug Costs

Comparison Shop

Like other purchases, you often can reduce your out-of-pocket cost for a prescription if you shop around. Even people whose insurance coverage restricts them to certain providers sometimes can find a better deal outside of that network, because your co-pay might not be the best price.

"Hundreds of generic medications are available for \$4 or even free without insurance," according to GoodRX. Chain stores, such as Target, Walmart and Costco, are among the providers who often have good deals. Comparison shop on GoodRX [here](#), and search by drug and location.

A good place to compare prescription prices among reputable online pharmacies is [PharmacyChecker.com](#), which also offers pharmacy ratings.

Prices might not be consistent even within the same pharmacy chain. So if you're researching your drug cost at Rite-Aid, call several different stores. You might find a price difference large enough to justify a longer trip to buy it.

Split Pills

Many drugs come as a pill that can be cut in half. Often, the cost for a higher dose of that medicine is the same, or only slightly higher, than the dose you're prescribed. If the drug can be split, and if your doctor approves taking half of a double dose (always ask - some medicines are ineffective or can cause harm if they aren't taken intact), your cost can drop significantly.

For example, on GoodRX recently, the cost of 30 tablets of Synthroid, a brand-name drug to boost thyroid function, was about \$34 for a dose of 100 mcg. The cost for 30 tablets at a dose of 50 mcg was about the same. Splitting the larger dose pills would cut your cost in half.

Learn more about which pills can be split, and which can't [here](#).

Consider Drug Discount Cards

Pharmacy chains sometimes offer drug discount cards. The costs vary, and the cards usually don't apply to every drug in their formulary. According to NeedyMeds, a national nonprofit outfit that has information to help people on tight drug budgets, card discounts can reach 80% of a drug's cost.

But do not sign up for a discount card that charges a fee, and be aware that discounts and the drugs they cover can change at any time. You have to check regularly to make sure the discount still applies. And, generally, you can't use a card for drugs your insurance plan is subsidizing, and you can't use them with coupons - it's one or the other. So you have to compare what you would pay for each form of coverage.

Financial Assistance

[NeedyMeds.org](#) has information on thousands of programs at clinics offering medical services for free, low-cost or on a sliding-scale clinics. It also has drug manufacturer coupons, co-pay programs to help people whose insurance plans have high out-of-pocket drug costs and patient assistance programs offered by pharmaceutical companies for people lacking insurance.

[RXAssist.org](#) is a similar service with pharmaceutical company drug-subsidy programs.

A Word About Doctor's Samples

Pharmaceutical companies give doctors free samples of brand-name drugs to entice them to become loyal prescribers. They like to believe this helps patients as well, who get the goods for free. But the practice is, if not counterproductive, at least controversial. As explained in our patient safety blog, "[Why Free Drug Samples Lead to Higher Drug Costs.](#)" when doctors get freebies from manufacturers, they're more likely to prescribe the expensive, brand-name medicine even if other drugs, including generics, are available and equally effective.

As the study in the blog determined, the average cost of medicines prescribed by docs who accept and distribute freebies is \$465 per office visit versus about \$200 for patients whose doctors don't hand out samples.

Sometimes freebies are OK, especially if patients don't have insurance coverage or can't afford their drugs. Sometimes brand-name drugs without generic equivalents are available in different doses or in a time-release formula, which can be more convenient or better absorbed for some people.

But if this isn't your situation, you must question your doctor thoroughly about what medicine he or she is prescribing, and why. It's

a matter not only of cost-effectiveness, but good medicine.

Recent Health Care Blog Posts

Here are some recent posts on our patient safety blog that might interest you.

- Fast-tracking FDA approvals of new drugs has a big downside: more recalls and more [questionable drugs slipping into the marketplace](#).
- Have you been told you have "pre-diabetes"? That's a term some use for blood sugar that is sometimes high, but not high enough to be truly diabetic. But the label of "pre-diabetes" is mostly helpful only to drug companies pushing treatments that may not be needed, according to some skeptical doctors.
- Annual pelvic exams for low-risk women don't do much good and generate a lot of false alarms and expensive follow-up, [according to one leading doctors' group](#).

Past issues of this newsletter:

Here is a quick [index of past issues of our newsletter](#), most recent first.

Here's to a healthy rest of 2014!

Sincerely,

A handwritten signature in black ink that reads "Patrick Malone". The signature is fluid and cursive, with the first name "Patrick" being more prominent than the last name "Malone".

Patrick Malone
Patrick Malone & Associates