Reducing Specialty Drug Costs 2024

If I use the data reviewed from United Health Group about the cost of care, there are four areas which can save costs of skyrocketed healthcare expenses. Those categories are:

a. Avoidable hospital emergency department (ED) visits
b. Hospital prices
c. Specialty Rx
d. High-value physicians

Over the past twenty years, the excessive use of emergency care has been a proven route of over-burdening hospital expenses. They have increased the cost per call for care, for in-hospital services having itemized, and secured alternative privatized care providers within heavily populated cities. This is inclusive of transport services for patients. Also, the ever growing list of treatment drugs for the wide variance of illness(s) from the common cold to acute and severe medical matters is expensive and costly to such healthcare providers. Which has provoked the insurgence of 'generics' and widened their use. It is therefore not surprising to see that both (a & b) remain of the United Health Groups short list of target zones.

High-value physicians are readily arguable as the public generally values and take pride in access to doctors who proven to provide quality care and interest in their collective health maintenance programs. This area also includes those who administer selective forms of treatment utilizing typically specialty drugs. That level of care that demands close monitoring and at time even hospitalization for administering of those medications. The creation of healthcare groups or program systems are designed to isolate such forms of treatment as well. It can allow for a controlled sense of cost, but does not minimize or reduce the increasing hospitalization and healthcare annual cost. These organized bodies are notably PBM's, Pharmacy Benefit Management and MCO's or Managed Care Organizations.

> Drug cost are one of the primary considerations when it comes to streamlining and redefining our healthcare systems and the services offered. In order to transform such cost, we must first identify the costliest drug treatments.

We are then inclined to ask, exactly what are Specialty Drugs? These are drugs used orally or typically injected or infused which are made of "living cells" for treatment of rare chronic or involved conditions.

The top medical conditions which require use and administration of specialty drugs are:

1. Multiple Sclerosis
2. Immune Deficiency
3. Rheumatoid Arthritis
4. Inflammatory Bowel Disease
5. Cancer (Chemotherapy)

Immune Deficiency $274,200 annually estimate	Oral meds cell transplants Geno therapy Biologic Meds *over 400 types Adult & Child
Inflammatory Bowel Disease $ 3,250 initial bundle cost $20,000 annually	Typically requires hospitalization or surgery at times Outpatient care Endoscopy use is decreased Surgery has increased Increase in elective bowel resections Advanced therapeutics (gene & cell) *still increase in hospitalizations
Rheumatoid Arthritis $1,500 – 2000 each year	Biologics & DMARD (disease modified anti-rheumatic drugs

MCO's have become the primary in respect to the insured as they are responsible for maintenance of programs, education of clients about services, their medical conditions, drug accessibility, patient prescription history's, etc…. These programs offer treatment medication care through the use of approved MCO pharmacies, community pharmacies, mail or online services, and consult with physicians and other health professionals. The plight of rising healthcare cost but more specifically that of pharmaceutical expense associated with top priority medical conditions.

Drug cost are driven by states' decision regarding (1) drug benefit is incorporated into Medicaid's medical benefits and (2) whether the PBMs have latitude over the development and implementation of the preferred drug list (PDL). These organizations are responsible for constructing the list of available drugs for MCO's customers. With this in mind we are then understanding the interest in utilizing (PBM's), Pharmacy Benefit Managers and Managed Care Organizations (MCO's). The PBMs have successfully derived at a savings as they've alleged to demonstrate use of research toward high therapeutic quality, the insertion of generics as standard, embedded pharmacy networks into bloom, and implemented use of data analysis to find fraud, waste and abuse.

Using this approach, Medicaid has reported a savings of over 25% in cost of servicing it's clients. A generic drug market increase of only $.17 against the benefit increase for drugs of $6.92 suggest a $6.58 balance per client. The impact of PBM's is inclusive of the design and structure recommendations it renders unto it's clients which directly enables for such cost reduction across the board. They too negotiate drug prices and discounts in contractual agreements with bodies such as CVS, Kaiser Permanente, and Express Scripts. As we are aware, CVS locations around the country have been forced to shut down due to continued widespread looting. This unfortunately leaves customers, over 100 million, possibly searching for new means through which to obtain their medication(s).

Part II. 2024 New Drug Cost Projection

Innovation slated for 2024 cast onto the pharmaceutical market place advertisements for:

a. HIV Prep, the HIV prevention medication for those who encounter the disease interactively on the routine basis.

b. HIV day after pill for those who are uncertain of exposure to the disease.

Distribution of this "pill" cost approximately $22,000 to $30,000 annually as a months supply sales for $2,000. Insurance spares the consumer the expense permitting a $O cost programs into the market.

Covid-19 vaccinations are still marketed at $0 cost for those insured and sales for between $120 to $130 dollars per dispense. This includes updates or boosters shots.

After the protest and riots in objection to the Supreme court decision to ban abortions, out pharmaceutical community has begun to market "Mifeprex (mifepristone) and misoprostol (Cytotec) the day 1 and 2 day after injection medication to induce the aborting of a fetus growth of 10 weeks or less. The onset of heavy bleeding denotes the body expelling the pregnancy. It is not available in every state and thus may require the addition of travel expenses against the $500 cost with insurance and over $500 additional for those uninsured.

The average cost for clinical and hospitalized abortions pre-2024 were averaging 620,320 (District of Columbia + 47 states) 2020 and 625,978 in 2021 compared to global abortions at a rate of 930,160 all under non-specified reasons. There also was the need for travel as not every state had laws protection a woman's right to an abortion. As research suggest on average, women aborted their fetus each year as the cost for such action has risen $800 to $2000 in 2022. This new phenomena is seemingly as strategically timely as the courts decision to strike down the law. Though it will be readily accessible, how feasible is the expense against standard historical abortion practices? This heavily weighed against the depth of intellectual input, research time, patents expense and other non-transparent aspects these corporations put into development of new products which meet our global medical demands. While insurance carriers

fight to save, protect patient care quality, and spare consumers from the high-price of drug treatments.

As an example of the implications this product has toward cost saving medicaments and proposed by those managed care agency's indicated lets use the approximate volume of abortions conducted for the 2021 year of 625,978.

At an average cost of $1200 per patient, using the variance between $800 and $2000 expense, the cost at the indicated $1000 plausible fee for Mifeplex or it's generics times the 625,978 abortion rate for 2021 is $125,195,600. As we assume the historical abortion fees were all inclusive, there is no clinical time, procedures, supply orders, staffing fees, real estate cost nor security needed. This promotes a savings.

Example:

1. 625,978 patients x's $1200 (abortion clinical fee) = $751, 173, 600.00
2. 625,978 plausible abortion clients (2021) x's $1000 Mifeplex fee = 625,978,000.00
3. 751, 173, 600.00 (2021 @ $1200 per patient) - $625, 978,000.00 (2021 Mifeplex)
4. There would have been a (assumable) savings of $125, 195, 600.00 for that year.

After consideration of Managed Care's objective to reduce drug cost, it is clear that this focus does not take into consideration the value of innovation and expense for chemical ingredients most manufacturers face.

Inflation of chemicals and other ingredients required in association of trade, shipping, and bulk order fees are not comparative to that of innovation and innovators.

This historical decision to make available for dispense of abortion pills by the FDA is a factor of time, distance, and cost issues facing each plausible patients in states housing laws legalizing abortion care. Pharmacies can apply for certification to provide mifepristone and "mail ordering" is readily accessible through certified clinicians as well. This is despite a lawsuit claiming low-level of scientific data to support the clinical evidence from the manufacturer. Admittedly, professionals suggest there is more work to do to dispose of REMS (Risk Evaluation and Mitigation Strategy) and this medication does not affect an Ectopic pregnancy

Packaging Analysis

In the opinion of other researchers whom utilized there own form of analysis, this combination medical medication induced abortion pills should be financial packaged together to minimize cost. It is cost effective to impose set restrictions upon the variables of manufacturing

location, the profile of intended manufacturer, us of specific quality ingredients, and true evaluation of the market conditions. Their analysis was constructed utilizing publicly accessible data for China, Bangladesh, and India. However, they concluded using the indicated full scope of criteria will enable cost for the combination Mifepristone and Misoprostol pack for the United States between $1.40 to $3. 97 dollars. The two primary variables seemed to be the "mifepristone cost and manufacturing location."

Part III. Does Our Opinion Matter?

In conclusion, we must ask ourselves when dealing with highly anticipated medication with an awareness of the financial and time investment these scientist, manufacturers and other professionals have devoted to it's development, can we question the value and intended use based upon it's chemical composition and it's pricing relative to the product quality, safe manufacturing and packaging. The answer would be, "that's exactly how it is done."

Public rejection and objection to the release of FDA approved drugs is usually based upon a question or questions that relate to the suggestion of standards as applied toward the process and direct factors weighed within its providing a valued approval for market in the United States. As in similar cases or claims against FDA judgement, the opposition of mifepristone state that it is still 'unsafe' for use as it presents without sufficient study and their objections is of recent steps to make this drug product combination easier to purchase.

Research is and essential assurance that the medications active ingredients have gone through a valid approval process ensuring that it works and it's benefit outweighs any known risks. It is directly and will uniquely react effectively for the diagnosis, cure, mitigation, and treatment. And, the manufacturing corporations is following the standards established for the drugs processing and development in alignment with USP [U.S. Pharmacopeia] guidelines. This body[USP] designs the process relative to drug attributes, tests and acceptance criteria that define product quality. A recent survey indicated that proper adherence to these standards increased production time by 90%.

If the plaintiff(s) proves with sound evidence that there exist a lack of research data to validate the medical use claims for the drug then they've provided a valued service to the public. We always hope that such cases are brought before the agency and court recognizing the safety of the pubic and in this matter, women, as the primary consideration. There are other factors that can impact the success of drug use such as religious affiliation, political barriers, or a simple ingredient that professional believe has negative affects on our bodies. It is with these alternative issues in mind that we await the arguments and scientific data presented by both parties before deciding or formulating an opinion toward the FDA approval.

Part IV. Future of Quality Standards & Pricing Consideration

Quality Standards:

As our medicine products become more complex to treat disease such as:

1. Multiple Sclerosis
2. Immune Deficiency
3. Rheumatoid Arthritis
4. Inflammatory Bowel Disease
5. Cancer (Chemotherapy)

These medical treatments are considered advanced therapy. Such innovation can only be protected through quality and appropriate measures that refine, define and formulate standards for drug development and processing. Standards must be updated, new, and specifically designed as with each element of improvement comes the challenge to secure it's permanence within the community of medicine it befalls. It too must perform to the level of expectation of our physicians, scientist, and patient a like. Thus, consultation, group think, community forum, panel discussions etc…may become supportive devices toward finding the 'best' approach and means of measuring quality performance.

Pricing Consideration:

Researching the effectiveness and cost of manufacturing enables "value-based pricing" The HHS [Health & Human Services] has the authority to set drug prices in frame of their category. These groupings generate price based upon' (a) it's 'notice & comment rulemaking' meaning it can set any drug cost, (b) as a drug without market competition, (c)as a brand therapeutic alternative, or (d)a generic with identical chemical composition. The growth of insurance competition and at market or expectant volume of sales (demand) also impact HHS pricing decisions. The insurance carriers themselves lobby HHS for fair pricing as they are the advocates for patients in protection of their income and the clients out of pocket drug fees. They effective in securing adjustments in varied forms such as manufacturers offering "rebates" if there if insurer can provoke clients shift from brand alternatives onto independent arbitrator products. This give price reduction for increased volume of sales. Others have gifted percentage plan mark-downs or visa card rewards.

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