“Do you know how much this white cream costs?”

If only we had a nickel for every time we heard this from a frustrated patient, or saw that a prescription was hijacked by a pharmacist putting profits over patients. Yet time and time again, the costs, whether to the patient or to the “system,” rise above the actual need for the prescription, which, as I have said before, is really just becoming a “suggestion.”

We hope patients are at least getting something that will help, but often hear the rising costs of generics are leaving patients stranded. But as physicians are pegged as the bad guy, and we are consistently measured on outcomes and satisfaction surveys, we have no choice but to do what we believe is best for the patient and the chart and let the patient decide which path to follow.

A recent article by Tom Howell, Jr. in The Washington Times explored survey results demonstrating, “nearly three quarters of Americans think prescription drug costs are unreasonable.” The results showed that Americans feel they’re paying more than consumers in Canada, Mexico, and Western Europe for the same drugs, but did not explore anything related to the socialized medicine climates in each country. Yet when the margin between brand and generic therapies such as clobetasol, doxycycline, and a few other mainstay treatments continue to narrow, where do we turn? Everyone’s reflex is to blame the drug companies, mainly the branded ones with name recognition (Quick, name five generic drug manufacturers…thought so! Now name five generic drug manufacturers that have sponsored or had a booth at a dermatology conference…thought so again!). In addition, more than half of those polled held a negative view of drug companies, right up there with insurance companies, but worse than doctors and the friendly neighborhood pharmacist, who would never promote anything that might bring in profit! Oh and by the way: Actavis, Fougera, Perrigo, Taro, and Teva.

To avoid another reminder of “Constant Gardener,” a spokesman for PhRMA reminded us that the “cancer death rate in the US has fallen 22 percent since its peak” and “we need a health care system that recognizes the value of medicines and incentivizes researchers to invest the significant time and cost that are required to develop new treatments and cures for patients.” Interesting that the focus of our so-called heroes—the generic drug companies—has traditionally not been thought to be about research but jumping patents and tying up companies in litigation so that time to launch speeds up. Can anyone say “imiquimod”?

There was an excellent overview on Drug Pricing at the summer meeting of the American Academy of Dermatology (AAD) by Dr. Jake Levitt. He showed graphs of price markups from 1000-4000 percent of some common drugs over the past three years, in dermatology, cardiology, oncology, and more.

He explained that a “generic” drug has the same active ingredient and needs to have at least 80 percent absorption or clinical bioequivalence. He discussed the evolution from the “middleman” markup, where wholesalers sold to retailers that took their share, compared to the “rebate” culture of prescription drugs, which are invoiced at high prices to the middleman from manufacturers then marked down with a rebate-filled contract, only to be marked up again to patients with another rebate in the mix. In this scenario, the middleman makes the premium, the manufacturer takes the blame, and the patient pays the high prices.

As patients cry foul and dermatologists throw their hands up, the AAD/A has established task forces to work with pharmacy benefit managers and medical directors of insurance plans to address issues that impact costs of therapy. Specifically, a task force is addressing harmful practices such as patient “brown-bagging” systemic and biologic therapies, demonstrating the consequences of restrictive formularies and drug tiering, and working toward a more streamlined drug approval process with the FDA and drug manufacturers. As generic drugs and biosimilars enter the marketplace and newer smaller dermatology companies emerge, competition and eventual price reductions will hopefully come to our patients’ rescue.

In the meantime, specialty pharmacies that once earned our trust are getting some bad press, which makes us question the integrity of what happens to our prescriptions when we send them off instead of handing them over. Some have proven to have changed the game for us when the paperwork was all done and the prescriptions showed up as written, but as we saw this past month the drama never ends... in the meantime, keep writing those “suggestions” and see what happens.

—Neal Bhatia, MD, Chief Medical Editor