When the Drug Industry Puts Patients First

Egregious price hikes in the drug industry in recent years have led to justified public outrage. Fueling the indignation has been a widespread sense that the public is defenseless, that little or nothing can be done to protect the vulnerable from runaway drug costs.

But that is not entirely true. Sometimes there are ways to defend the public. Exhibit A is hepatitis C.

Viral in origin, hepatitis C is a liver disease that can produce serious, even fatal consequences. More than 3 million Americans have it.

In 2013 and 2014, a significant breakthrough against this disease arrived in the form of new oral medications. These drugs promised both to increase cure rates and offer greater convenience.

To say that this progress came at a price, however, is to understate the case. Sovaldi (sofosbuvir) was offered at $84,000 for a 12-week treatment. Later, another drug, Harvoni, was priced at a staggering wholesale acquisition cost of $1,125 per tablet — more than $33,000 per 30-day prescription.

Never before had new drugs designed to treat such a large population been priced so high. For both patients and employers, the consequences appeared ominous.

In fact, all taxpayers faced alarming consequences, because the potential expenditures for state governments treating hepatitis C patients on Medicaid or in the state prison system penciled out at $55 billion. Expenditures on that scale would clearly wreak havoc on teacher salaries, infrastructure projects and hundreds of other needs.

In response, employers and other health care payers did the only thing they could do: triage. They limited access for hepatitis C patients by providing medication only for those whose livers were so diseased they were already scarring.

Affordability breeds access, and in 2014, Americans with hepatitis C had neither. We felt we had to take a stand.

We started by doing the only thing we could do at the time — speaking out. We described the threats that this drug pricing mentality posed to patient access and payer solvency. We said pharmaceutical innovation should be rewarded, but pricing must be fair.

Then, in December 2014, an opportunity appeared. AbbVie Inc. introduced a new product, called Viekira Pak, that also offered a cure for hepatitis C. But unlike the maker of Sovaldi and Harvoni, AbbVie shared our goal of finding a price that would be both sustainable and also open access to patients who previously weren’t able to be treated.
So we made a deal. In exchange for making Viekira Pak the exclusive option on our formulary, AbbVie provided such a significant discount to our clients and patients that we were able to lower the cost of curative hepatitis C therapy by 50 percent.

And not long thereafter, the prices of the other new hepatitis C drugs also began to fall. We had successfully triggered a price war.

That made all the difference for plan sponsors, who suddenly found themselves able to treat tens of thousands of more of their patients. After 100,000 patients were treated in 2014; in 2015, the number leaped to 170,000, including more than 50,000 Express Scripts members. And in 2016, spending for hepatitis C drugs by our members actually declined, because so many had been cured and because prices for those still taking the drugs had fallen.

Many of the Express Scripts members benefited from more than the discounted price. They also received specialty care.

That’s because many hepatitis C patients need a lot more than a diagnosis and a prescription drug to achieve a cure. Factors like staying adherent to medications and understanding how lifestyle, environment and other prescription drugs are involved may also be critical. These are the kinds of issues we seek to address with our specially trained pharmacists, who provide patients with customized care and ensure that they complete their therapy and get cured. Recent research presented at the Academy of Managed Care Pharmacy shows our pharmacy delivered a 96 percent real-world cure rate for these medications — the same cure rate achieve in controlled clinical trial environments.

Aligned with the best interests of our clients and patients, we’re committed to doing whatever it takes to provide the best care and value. Our efforts with respect to hepatitis C show how that commitment can pay off — for payers, for society, and above all, for the tens of thousands of individuals who can now get access to a cure that would otherwise have been out of reach.

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