Generic Drugs Keep Health Cost Spiral in Check

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verall health spending growth for 2005 hit the lowest level since 1999, largely because of a continuing slowdown in retail prescription drug sales and an increased use of generic drugs, according to a report issued by the Centers for Medicare and Medicaid Services in January.

The CMS report, the official government tally, found that overall, health care spending grew 6.9% in 2005, compared with 7.2% in 2004 and 8.1% in 2003.

"It is unclear whether this is temporary or indicative of a longer-term trend," lead author Aaron Catlin, a CMS economist,

Even with the slowdown, the United States spent slightly more per capita in 2005—\$6,697 per person—than in 2004, when expenditures were \$6,322 per person. The percentage of personal income devoted to health care is rising as well.

Out-of-pocket spending grew from \$235 billion in 2004 to \$249 billion in 2005, with prescription drugs accounting for 20% of that expense.

Total spending in 2005 hit \$2 trillion, according to the CMS (Health Affairs 2007;26:142-53, and Health Affairs 2007:26:249-57).

Medicare was the biggest spender, accounting for \$342 billion of the \$2 trillion total. The figure does not include the Part D drug benefit, which did not begin until 2006. Medicaid spent \$311 billion in 2005, a 7.2% increase from the previous year. But that growth rate was on par with 2004, when spending rose 7.5%.

Cost-containment efforts by the Medicaid program helped hold down the nation's overall drug bill, according to the report. For Medicaid, drug spending grew only 2.8% in 2005. The nation's total drug tab in 2005 was \$200 billion, an increase of 5.8% over the previous year, when drug spending rose 8.6%.

Most drugs—about 73%—were covered by private sources in 2005. Private spending grew only 6%, down from 7.2% in 2004. Drug price increases remained stable from 2004 to 2005, at about 3.5% overall and 6% for brand names.

The pharmacy benefit management industry took credit for helping to keep a lid on spending, noting that industry tools such as formularies, rebates, generic drugs, and mail-service are being used by both private and public payers. "PBMs have played a huge role in helping to drive prescription drug trends to an historic low," Mark Merritt, president of the Pharmaceutical Care Management Association, said in a statement.

Both CMS and America's Health Insurance Plans said that increasing use of multitiered drug formularies—which require consumers to pay more for higher-cost medicines—also contributed to the slowdown in drug spending.

Spending on physician and clinical services hit \$421 billion in 2005, which made it the second biggest category of spending, after hospitals. That represented a 7% increase from 2004, when spending rose 7.4%. Medicare, however, spent 9.5% more on physician services in 2005, which was a slight decline from the 10.4% growth in 2004.

Hospital spending grew about 8% in 2005 and 2004, hitting \$611 billion.

Consumers are taking a big hit on health costs, agreed Karen Davis, president of the Commonwealth Fund, a private nonpartisan foundation that is working toward a health system that offers better quality and more access.

"Even the slower spending growth of 6.9% continues to outpace inflation and growth in wages for the average worker in the United States," Ms. Davis said in a

SEROQUEL® (quetiapine fumarate) Tablets BRIEF SUMMARY of Prescribing Information (continued)—Before prescribing, please consult complete Prescribing Information

SEROUEL® (queltiagine fumantel) Tablets
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Thioridazine: Thioridazine (200 mg bid) increases the oral clearance of queltapine (300 mg bid) by 65%. Cimedinian continued in the continued of the

or cause poorer tolerance or orthostasis, should lead to consideration of a lower starting dose, slower titration, and careful monitoring during the initial dosing period in the elderly. The mean plasma clearance of SEROQUEL was reduced by 30% to 50% in elderly patients when compared to younger patients.

ADVERSE REACTIONS: The information below is derived from a clinical trial database for SEROQUEL consisting of over 3700 patients. Of these approximately 3400 (2300 in schizophrenia, 405 in acute bipolar mania, and 698 in bipolar depression) were patients who participated in multiple dose effectiveness trials, and their experience corresponded to approximately 926. £ patient-years. Refer to the full Prescribing Information for details of adverse event data collection. Adverse Findings Observed in Short-Term, Controlled Trials: Adverse Events Associated with Discontinuation of Treatment in Short-Term, Placebo-Controlled Trials: Bipolar Disorder: Depression: Overall, discontinuations due to adverse events were 5.7 % for SEROQUEL vs. 51% for placebo. Mania: Overall, discontinuations due to adverse events were 5.7 % for SEROQUEL vs. 51% for placebo in adjunct therapy. Schizophrenia: Overall, there was little difference in the incidence of discontinuation due to adverse events (4% for SEROQUEL vs. 3% for placebo) in a pool controlled trials. However, discontinuations due to somonlone (0.8% vs. 0% for placebo) were considered to be drug related (see PRECAUTIONS). Adverse Events Occurring at an Incidence of 1% or more of patients breaded with SEROQUEL was greater than the incidence in placebo-treated patients. Treatment of Schizophrenia and Bipolar Mania (monotherapy): Body as a subset berapy of schizophrenia (up to 6 weeks) and bipolar mania (up to 12 weeks) in 1% or more of patients treated with SEROQUEL (doses ranging from 75 to 800 mg/day) where the incidence in patients treated with SEROQUEL was greater than the incidence in placebo-treated patients. Freatment of Schizophrenia and Bipolar Mania (monotherapy): Bod

Disorders: Dry Mouth, Constipation, Dyspepsia, Vomiting; General Disorders and Administrative Site Conditions: Fatigue; Metabolism and Nutrition Disorders: Increased Appetite; Nervous System Disorders: Sedation, Somnolence, Dizziness, Lethargy; Respiratory, Thoracic, and Mediastinal Disorders: Nasal Congestion. In these studies, the most commonly observed adverse events associated with the use of SEROQUEL (incidence of 5% or greater) and observed at a rate on SEROQUEL at least twice that of placebo were dry mouth (44%), sedation (30%), somnolence (28%), dizziness (18%), constipation (10%), lethargy (5%), and nasal congestion (5%). (*Events for which the SEROQUEL incidence was equal to or less than placebo are not listed in the table, but included the following: nausea, upper respiratory tract infection, and headache.) Explorations for interactions on the basis of gender, age, and race did not reveal any clinically meaningful differences in the adverse event occurrence on the basis of these demographic factors. Dose Dependency of Adverse Events in Short-Term, Placebo-Controlled Trials: Dose-related Adverse Events: Logistic regression analyses revealed a positive dose response (p<0.05) for the following adverse events: dyspepsia, abdominal pain, and weight gain. Extrapyramidal Symptoms: Data from one 6-week clinical trial of schizophrenia companing five fixed does of SEROQUEL (75, 150, 300, 600, 750 mg/day) provided evidence for the lack of treatment-emergent extrapyramidal symptoms (EPS) and dose-relatedness for EPS associated with SEROQUEL treatment. Three methods were used to measure EPS: (1) Simpson-Angus total scores (mean change from baseline) which evaluates parkinsonism and akthistia, (2) incidence of spontaneous complaints of EPS (akthisia, akinesia, cogwheel rigidity, extrapyramidal syndrome, hypertonia, hypokinesia, neck rigidity, and tremor), and (3) use of anticholinergic medications to treat emergent EPS. In six dicinical placebo-controlled clinical trials (3 in acute mania and 3 in schizophrenia) u studies, the incidence of the individual adverse events (eg. alathissis, extrapyramidal disorder, tremor, dyssinesia, dystonia restlessness, muscle contractions involuntary, psychomotro hyperactivity and muscle rigidity) were generally low and class studies, the incidence of the most of the contractions involuntary, psychomotro hyperactivity and muscle rigidity) were generally low and class of the contractions involuntary and class of the contractions of the contraction of the contra

Disorders: Dry Mouth, Constipation, Dyspepsia, Vomiting; General Disorders and Administrative Site Conditions.

DNOT ABOSE AND DEPENDENCE: Confirming Sustaince class: SerVOUCE is not a continued substaince. Physical and Psychologic dependence: SEROOUEL has not been systematically studied, in animals or humans, for its potential for abuse, tolerance or physical dependence. While the clinical trials did not reveal any tendency for any drug-seeking behavior, these observations were not systematic and it is not possible to predict on the basis of this limited experience the extent to which a CNS-active drug will be misused, diverted, and/or abused once marketed. Consequently, patients should be evaluated carefully for a history of drug abuse, and such patients should be observed closely for signs of misuse or abuse of SEROQUEL, e.g., development of tolerance, increases in dose, drug-seeking behavior.

ishould be evaluated carefully for a history of drug abuse, and such patients should be observed closely for signs of misuse or abuse of SEROQUEL, e.g., development of tolerance, increases in dose, drug-seeking behavior.

**OVERNOSAGE: Human experience: Experience with SEROQUEL in acute overdosage was limited in the clinical trial database (6 reports) with estimated doses ranging from 1200 mg to 9600 mg and no fatalities. In general, reported signs and symptoms were those resulting from an exaggeration of the drug's known pharmacological effects, i.e., drowsiness and sedation, tachycardia and hypotension. One case, involving an estimated overdose of 9600 mg, was associated with hypokalemia and first degree heart block. In post-marketing experience, there have been very rare reports of overdose of SEROQUEL alone resulting in death, coma, or OTc prolongation. Management of Overdosage: In case of acute overdosage, establish and maintain an airway and ensure adequate oxygenation and ventilation. Gastric lavage (after intubation, if patient its unconscious) and administration of activated charcoal together with a laxative should be considered. The possibility of obtundation, seizure or dystonic reaction of the head and neck following overdose may create a risk of aspiration with induced emesis. Cardiovascular monitoring should commence immediately and should include continuous electrocardiographic monitoring to detect possible arrhythmias. If antiarrhythmic therapy is administered, disopyramide, procainamide and quinidine carry a theoretical hazard of additive OT-prolonging effects when administered in patients with acute overdosage of SEROQUEL. Similarly it is reasonable to expect that the alpha-adrenergic-blocking properties of bretylium might be additive to those of quetiapine, resulting in problematic hypotension. There is no specific antidote to SEROQUEL. Therefore appropriate supportive measures should be instituted. The possibility of multiple drug involvement should be considered. Hypotension and circulatory

