Multiple Sclerosis (MS) specialty drug treatment cost projected to exceed $50,000 per person per year in 2016

ST. PAUL, MINN. – October 4, 2012 – A new study by pharmacy benefit manager Prime Therapeutics (Prime), in collaboration with Blue Cross and Blue Shield of Minnesota, found that the recent dramatic increase in Multiple Sclerosis (MS) specialty drug costs has resulted in the drug costs now accounting for more than two-thirds of the patients total cost of care. While many with MS have seen improved quality of life as a result of drug therapy, unfortunately these MS specialty drug cost increases were not associated with MS medical costs declining. These study findings will be presented today at the Academy of Managed Care Pharmacy’s 2012 Educational Conference in Cincinnati, Ohio.

According to the study, the average individual annual MS specialty drug cost was $28,152 and all other health care costs were $13,608 in 2010. The price for MS self-injectable specialty drugs has increased 16.3% to 22.6% each year from 2008 to present, calculated using the compound annual growth rate (CAGR). Assuming the same inflationary MS specialty drug price increases, within four years, the average annual cost for a MS specialty drug will exceed $50,000.

Multiple Sclerosis is an uncommon chronic disease with an average age of onset in the late 20s and typically results in disability after 15 to 20 years. MS specialty drugs reduce relapses by approximately one third, but they have only minimally influenced progression of the disease and disability¹. In 2011, MS drugs accounted for 3.6 percent of all pharmacy benefit costs with an average per prescription cost of $3,135 among Prime Therapeutics’ 9 million commercially insured members.

To identify MS cost of care trends, the researchers analyzed integrated pharmacy and medical claims data from 1 million commercially insured members with continuous annual enrollment from 2008 to 2010. A stable MS diagnosis prevalence of 0.17% (17 per 10,000 members) of which 70% were treated with a MS specialty drug was found. Although MS drug utilization remained constant, the total cost of care grew at a CAGR of 12.7 percent per year from 2008 to 2010, driven by MS specialty drug cost increases. All other health care costs were $12,682, in 2008 and increased to $13,608 in 2010. MS specialty drug costs increased from $20,201 (61.4 percent) of $32,883 total cost of care in 2008 and to $28,152 (67.4 percent) of $41,760 in 2010. The increase in MS specialty drug CAGR cost was 17.2% per year.

“As the results show, MS specialty drug costs have increased by double digits in the last several years and are not projected to level off in the near future. In fact, Prime predicts that MS drug costs will exceed $50,000 per person per year in 2016, which will put a significant strain on patients with this condition,” said Pat Gleason, PharmD, FCCP, BCPS, director of clinical outcomes assessment at Prime. “Inflationary price increases are by far the major driver of increased MS specialty drug costs, meaning anticipated medical savings from preventing MS relapses cannot offset the cost of the MS drugs.”

Prime’s expertise and insight on managing pharmacy benefits is driven by its strong clinical foundation and unique connection with health plans. Prime applies this insight to deliver the best health outcomes for its members.


About Prime Therapeutics
At Prime Therapeutics, people are at the center of all we do and every decision we make. As a leader in
pharmacy benefit management, Prime is dedicated to making it easier for our members to obtain more affordable medicines. We collaborate with health plans, employers and plan providers to deliver programs coordinated across pharmacy and medical benefits that lead to the best health outcomes for our members.

Prime’s integrated pharmacy benefit management services include claims processing, benefit plan design, network management, clinical program consultation, rebate management, formulary administration, mail-service pharmacy and specialty pharmacy.

Headquartered in St. Paul, Minn., Prime Therapeutics serves nearly 20 million people and is collectively owned by 13 Blue Cross and Blue Shield Plans, subsidiaries or affiliates of those Plans. Prime has been recognized as one of the fastest-growing private companies in the nation by Inc. 5000 and as a most engaged workplace by Achievers.

For more information, visit www.primetherapeutics.com or follow @Prime_PBM on Twitter.