

# Exorbitant drug prices harm research

It is a widely held belief that the very high prices charged for many new drugs are necessary to sustain “innovation”, which in turn generates important therapeutic advances for patients. Some authors have questioned this analysis, using cancer drugs as an example (1).

**“Me-toos” rewarded.** The director of a renowned cancer centre in the United States argued in a financial magazine that the height to which drug prices have soared in recent years actually harms innovation (1).

In the field of cancer, high prices enable drug companies to target very small markets in terms of the number of potential patients, but that generate huge profits (1). This encourages a “me-too mentality” by attracting other drug companies to enter these lucrative markets (a). For example, the author mentions 7 ALK tyrosine kinase inhibitors, all currently under development for the treatment of cancers that only affect a few thousand patients each year in the United States.

In his opinion, the efforts and funds devoted to these nearly identical drugs are needed and lacking elsewhere, to tackle unmet health needs (1).

**Marginal benefits for patients, but exorbitant prices.** Other authors have criticised the quantity of resources mobilised to achieve often marginal clinical benefits (2). They point out that, on average, the 71 cancer drugs (or new indications) introduced to the market in the United States between 2002 and 2014 for the treatment of solid tumours only prolonged median survival by about 2 months (2).

By obtaining marketing authorisation for a series of different indications for drugs that share the same mechanism of action (“salami slicing”), drug companies reduce research costs and risks while maintaining the same high price tags, a situation that suits shareholders more interested in high, easy profits than in the risks inherent in more ambitious research (2).

Furthermore, incurable disease is such an emotionally charged subject that few people dare to speak out against excessive prices for cancer drugs (2).

In summary, high drug prices are not sufficient to stimulate research that provides real advances in the public interest. In fact, they can be counter-productive.

©Prescrire

.....  
*a- A “me-too” drug is closely related structurally to another drug used in a similar clinical situation. The implication behind this term is that this drug would like to get a slice of the same market.*

.....  
**Selected references from Prescrire’s literature search.**

1- Bach P “Could high drug prices be bad for innovation?” 23 October 2014. [www.forbes.com](http://www.forbes.com) accessed 22 December 2014: 3 pages.

2- Fojo T et al. “Unintended consequences of expensive cancer therapeutics - the pursuit of marginal indications and a me-too mentality that stifles innovation and creativity” *JAMA Otolaryngology Head Neck Surg* 2014; [archotol.jamanetwork.com](http://archotol.jamanetwork.com): 15 pages.



## Coming soon...

### NEW PRODUCTS

- Telavancin
- Riociguat
- Ceftobiprole medocartil

### ADVERSE EFFECTS

- Atypical neuroleptics in elderly patients: acute kidney injury
- Rivaroxaban: liver injury
- Aripiprazole: violent behaviour
- Sorafenib: osteonecrosis of the jaw

### REVIEWS

- E-cigarettes and smoking cessation
- Inhibiting the onset of lactation: is cabergoline an alternative to bromocriptine ?

### Outlook

- Pay for performance: no improvement in quality of care
- Obstacles to transparency over pharmacovigilance data within the EMA