

HEALTH NEWS

Understanding Medication Costs

(NAPSA)—A healthy dose of information has helped improve medications and patient care over the past few years. Conditions ranging from congestive heart failure to hay fever have become more easily managed and today, new medications have helped people avoid complications associated with certain diseases or avoid the diseases completely.

For example, an estimated 28 million Americans are at risk of developing osteoporosis—a disease in which bones become brittle and can easily break. Although 300,000 hip fractures occur as a result of the condition every year, new medicines are helping to prevent osteoporosis from occurring in the first place. In addition to the invaluable savings in pain and suffering, the medicines are expected to save taxpayers millions in healthcare costs.

The process of discovering new medicines, however, takes time—and money. Of every 5,000 medicines tested, on average, only five are tested in clinical trials and only one of those is approved for patient use. Also, it takes an average of 12 to 15 years to discover and develop a medicine (most of that time is spent making sure the drug is safe).

In addition, the average cost of bringing a new medicine to market is \$500 million and only three in 10 medicines produce revenues that match this cost.

Companies fund research on future medicines and improvements to existing medicines with revenues from medicines on the



Experts say the costs of many medications are offset by savings to society and the American healthcare system.

market. One out of every five dollars in revenues is poured back into research and development.

Currently, pharmaceutical companies are working on more than 1,000 new medicines—for Alzheimer's, stroke, cystic fibrosis, arthritis, and many other diseases. For cancer alone, there are more than 350 medicines in the "pipeline."

A number of healthcare advocates have stressed the importance of developing new medicines, arguing their long-term savings to society offset their immediate costs—a point of view thousands of patients most likely agree with.

For more information visit www.phrma.org.