



Memorial Sloan Kettering
Cancer Center.

Rising prices for drugs in the US: Wherefore art thou value?

Peter B. Bach, MD, MAPP
Memorial Sloan Kettering Cancer Center

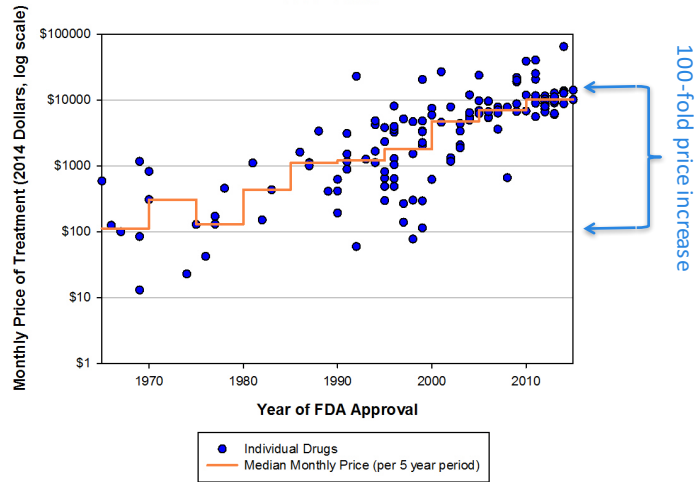
bachp@mskcc.org

[@peterbachmd](https://twitter.com/peterbachmd)



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Monthly and Median Costs of Cancer Drugs at the Time of FDA Approval
1965 - 2015

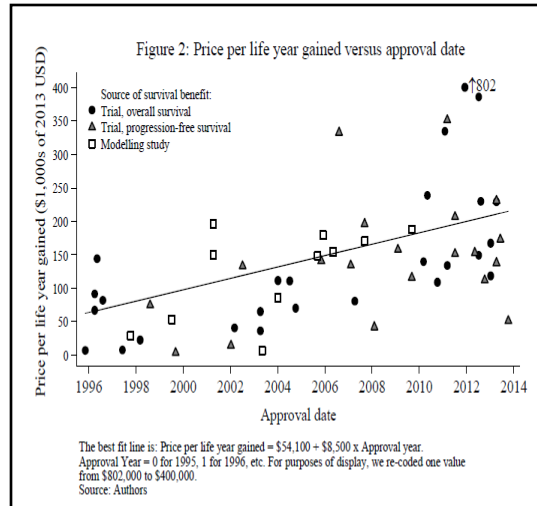


Source: Peter B. Bach, MD, Memorial Sloan-Kettering Cancer Center

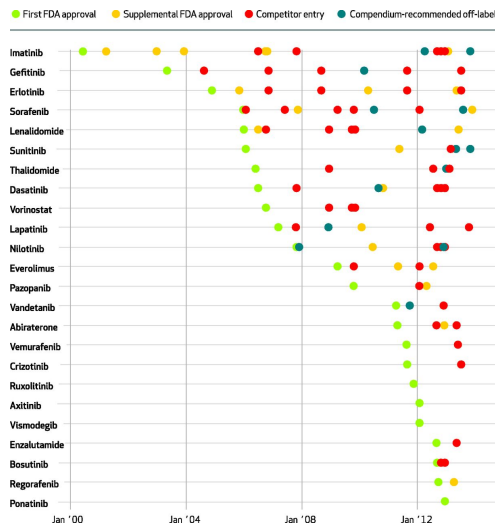


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Cost for an additional year of life goes up each year in cancer



Competition does not work! Timelines for FDA approval of orally administered anticancer drugs.



Caroline S. Bennette et al. Health Aff 2016;35:805-812



Price changes in drugs due to 'market events' 2007-13

Effect of "competition"??

Change after:	Change in costs	95% CI	P-value
Additional supplemental indication	+9.2%	4.3, 14.3	0.001
Additional compendium-recommended off-label indication	+4.3%	0.0, 8.9	0.061
FDA approval of a competitor drug	-1.8%	-3.1, -0.4	0.003
One year	+4.4%	3.1, 6.0	<0.001



My approach to Value Based Pricing
www.drugabacus.org

