

The cost of innovation

Taking a closer look at specialty drugs

Follow-up Guide

Specialty drugs are high-cost prescription medications that require specialized handling, distribution, administration or monitoring and treat complex conditions such as cancer, Hepatitis and Rheumatoid Arthritis. Specialty drugs also require patient care management to control side effects and ensure compliance.

40.8%

of pharmacy spend in 2017 was accounted for by specialty drugs

232%

increase in brand name drug costs since 2008

47%

of U.S. pharmacy spend by 2022 is expected to be from specialty drugs

59

In 2018, the FDA approved 59 novel drugs, an all-time high.

Sources:

Express Scripts, 2017 Express Scripts 2017 Drug Trend Report

FDA Novel Drug Approvals (2009-2018)

How can **YOU** help?

- Encourage your employees to understand their pharmacy benefits
- Help your employees make informed decisions about drug costs and uses, particularly if you have a high-deductible health plan
- Learn more about how specialty drugs, when managed appropriately, can save on long-term costs
- Ensure you're taking advantage of all utilization and cost management programs available with your pharmacy plan
- Ask about exclusive specialty programs



Specialty Drug Trends

Gene Therapy

Gene Therapy seeks to modify or manipulate the expression of a gene or alter living cells for therapeutic use.

Orphan Drugs

Orphan drugs or biological products are a subset of specialty drugs that treat a rare condition or disease. Rare diseases are defined as any disease or condition that affects fewer than 200,000 people in the United States. Approximately 7,000 rare diseases exist today.

Biologics

Biologics are medicines made from living cells through highly complex manufacturing processes and must be handled and administered under carefully monitored conditions.

Biosimilars

Biosimilars are a biological product that is developed to be highly similar with no clinically meaningful differences to an already FDA-approved biologic, known as the reference product.



Learn more with additional resources

- [Health of America report on prescription drug trends](#)
- MiBluesPerspectives: [Panelists take issue of prescription drug prices](#)
- MiBluesPerspectives: [How do pharmacy trends impact your business](#)
- Bcbsm: [What do I need to know about specialty drugs](#)
- Bcbsm: [Specialty Drug Program member benefit guide](#)