

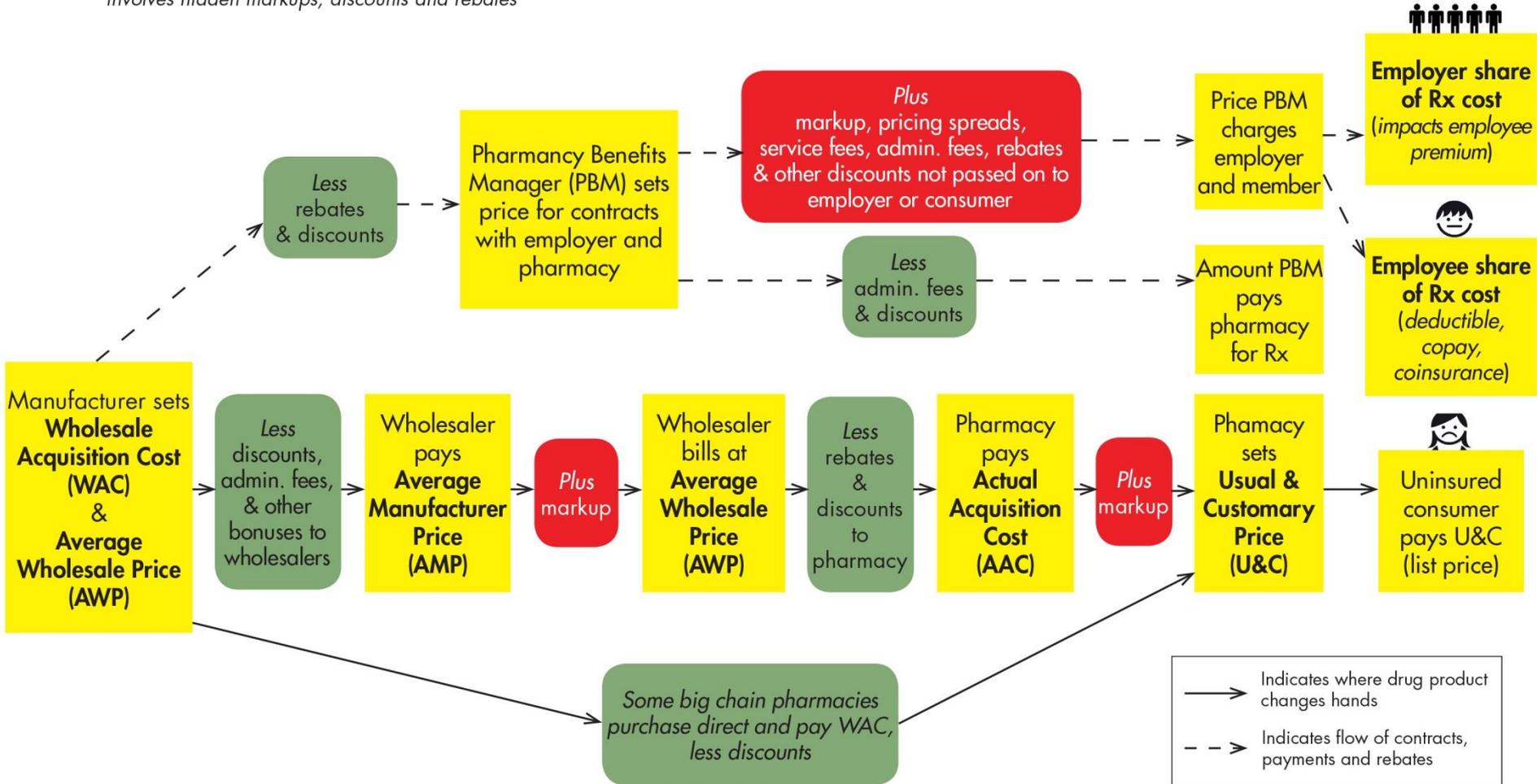
High Drug Costs

What is to be done?

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Rx Pricing Along the Supply Chain

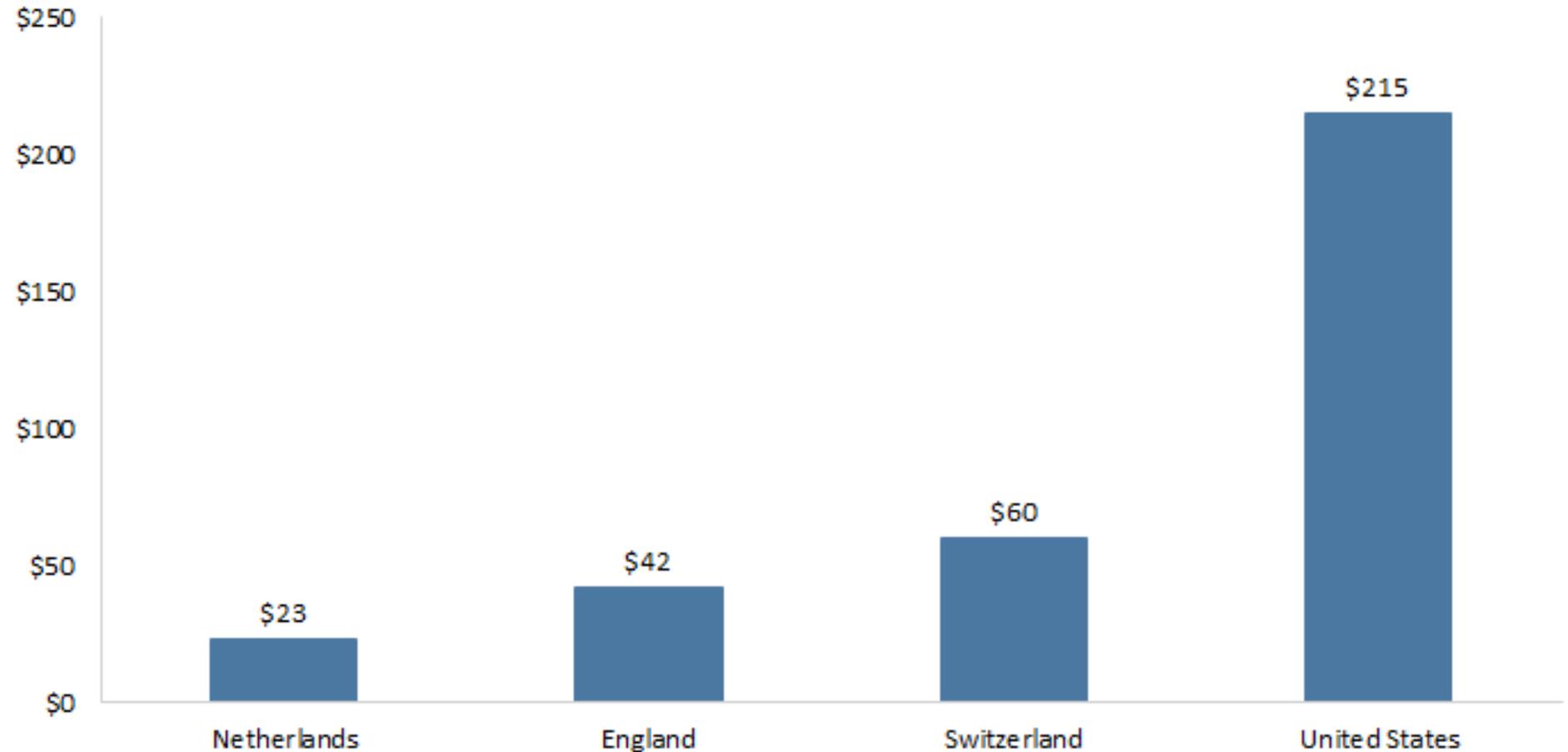
This chart shows how prescription drugs move along the supply chain to consumers. For a typical employer-sponsored drug benefit, the price at each step involves hidden markups, discounts and rebates



Note: This graphic is intended as a simplified overview of the drug pricing supply chain, showing how important pricing concepts fit together. As such, it does not reflect myriad other connections between parts of the system. Source: Adapted from The Prescription Drug Supply Chain Black Box: How it Works and Why You Should Care, Eickelberg, H.C., American Health Policy Institute (2015).

The average price of Nexium in the U.S. is almost 3 times more than the average price in Switzerland

Average Price, 2013



Source: International Federation of Health Plans **Notes:** U.S. average prices are calculated using commercial claims data from Truven MarketScan Research databases. Methods and sources for comparable countries can be found here: <http://www.ifhp.com/1404121>

Thank you!

Contact Betsy Imholz at Bimholz@consumer.org or 415-431-6747 with your follow-up questions.

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