

If your monthly Rx bills are more than \$10 YOU NEED TO READ THIS!

5 SIMPLE WAYS TO DRASTICALLY CUT YOUR MONTHLY Rx BILLS

Ever feel like pharmaceutical companies are getting rich off you? That, in fact, they're getting richer while you're just...well...NOT? Pfizer, maker of Celebrex, might be. Even though their 2013 revenues were down 6% over 2012, their reported net income (profit) was up 51%, to over \$22 billion. That's billion with a "B." Or how about Lilly, makers of Prozac? Their revenue was up 2% between 2012 and 2013, but their profit was up 15%, to \$4.7 Billion! Want us to continue?

How does this happen?? Easy. Ridiculously high markups.

Now we're not here to say that these companies shouldn't be rewarded for the risks they take trying to discover new ways to combat our illnesses. We understand that developing a drug is more expensive than manufacturing it. In fact, it's extremely expensive to bring a drug to market. In the U.S. it takes an average of 12 years for an experimental drug to travel from the laboratory to your medicine cabinet, IF it makes it at all. Only 5 in 5,000 drugs that enter preclinical testing ever progress to human testing, and only one out of those 5 drugs that are tested is approved. So really, only 1 in 5000 drugs ever receives a patent and can be sold to you. What this means is that not only does the cost of developing this one new drug have to be recouped, but so does the cost of developing the other 4,999 drugs that *didn't* make it to market. So the companies get a patent on their discovery, which gives them a certain amount of time to exclusively market the drug under a brand name. After that time runs out, the patent expires, the monopoly is lifted, and anyone can manufacture and sell the drug under its generic name.

You're limited in the ways you can save money when a drug is still under patent. HOWEVER, once you're able to buy the generic form of your meds, it pays to shop around.

WAYS TO SAVE

CLUB STORES

In May 2013, Consumer Reports went shopping at 200 pharmacies across the country for a month's supply of five prescription drugs that had just gone generic: Actos for diabetes, Lexapro for depression, Singulair for asthma, Plavix for blood thinning, and Lipitor for high cholesterol.

What they found was a \$749 difference -- that's 447% -- between the \$916 price tag at CVS and the \$167 that Costco charged for the same five generic drugs. For generic Lipitor alone, CVS charged \$150 to Costco's \$17. The generic Lexapro found at CVS for \$126 could be had at Costco for \$7.

Why such a big difference? Because stores like CVS, Rite Aid and Walgreens draw much of their profits from their pharmacies, while stores like Costco and Sam's Club/Walmart consider their pharmacies "throw-ins" or loss-leaders that help bulk up foot traffic.

What this means to you is that at the very least, before you buy from another pharmacy, call your local Costco or Sam's Club pharmacy for a price check. You can always do a price check online too. For instance, visit www.costco.com, go to the pharmacy page, then click on Drug Pricing to look up the cost of your prescription. Worried that you're not a member? Don't be! **In most states, you don't have to be a member of the store's club to use the pharmacy.** When you get to the entrance of the store you simply tell the greeter you are here for the pharmacy only and they'll let you in!

CANADIAN PHARMACIES

Many **brand-name** prescription medications are less expensive in Canada than in the U.S. The difference in price can be substantial. The following are some recent examples from legitimate online pharmacies in the U.S. and Canada (note that prices can change at any time, but the relationship of U.S. vs. Canadian prices on brand-name medications typically doesn't, and that generics available in the U.S. are generally less expensive than generics available through Canadian pharmacies).

- In the U.S., a 30-day supply of Diovan (valsartan), a medication used to treat high blood pressure, cost \$73 vs. \$40 in Canada.
- In the U.S., a 30-day supply of Lipitor (atorvastatin), a medication used to help lower cholesterol, cost \$86 vs. \$51 in Canada.
- In the U.S., a 30-day supply of Flomax (tamsulosin), a medication used to treat an enlarged prostate (BPH), cost \$110 vs. \$38 in Canada.
- In the U.S., a 30 day supply for Oxazepam (Serax), a drug taken for anxiety and depression, cost \$70 vs. \$13 in Canada.

Multiple Reasons for Cost Differences

Although there are several factors that combine to make prescription medications cheaper in Canada, the primary underlying reason is price control.

The Canadian government puts a cap, or ceiling, on the amount that drug companies can charge pharmacies and other distributors of drugs. This reduces the wholesale cost of medication for most organizations throughout Canada by about five percent. The prices are determined by Canada's Patented Medicine Prices Review Board. Since drugstores pay less for many medications, they can sell them for less.

The Canadian government does this by dictating to the drug companies how much it will pay the drug company for its drugs, as well as dictating how long the drug company can sell their drugs under patent (remember that the pharmaceutical companies make most of their profits while they still hold the monopoly, aka the patent, on the manufacture of their drug). The Canadian government can change their rules at any time to shorten the patent term, which then allows other countries to manufacture the drug. This means that pharmaceutical companies want to "stay on the good side" of the government for fear that their monopoly will be eliminated, so they keep their prices cheap.

On top of that, a review board orders a price reduction whenever the price of a drug exceeds the median of the prices in six European countries plus the United States. Since the European countries' governments intervene in various ways to hold down drug costs, Canada, in effect, piggybacks on those countries' price controls.

Canadian pharmaceutical companies also have lower liability costs than U.S. drug companies. Canadians are not only less likely than Americans to sue healthcare providers or drug companies, but when they do sue, awards and damages are a lot lower than in the U.S. In the U.S., some economists consider the cost of liability insurance for a drug company to be similar to a "tax" on medications.

Purchasing from an online Canadian pharmacy follows a similar set of recommendations as purchasing drugs in Canada in person. Be aware of what the FDA and U.S. Customs expect and require.

There are several websites that can help you choose the right online Canadian or other foreign pharmacy.

- [VIPPS](#), the Verified Internet Pharmacy Practice Site includes verified, licensed Canadian pharmacies.
- You can verify licensing of a Canadian pharmacy at [CIPA](#), the Canadian International Pharmacy Association's website.
- [Pharmacy Checker](#) reviews Canadian and other foreign online pharmacies, too.

PARTNER WITH YOUR DOCTOR

When it comes to prescribing drugs for you, doctors rarely pay any attention to the cost. They have no idea, short of phoning your insurer, how much a drug will cost you. Another good way to save, then, is to talk to your doctor about alternatives to the prescription being written.

As we discussed earlier, generic drugs are usually less expensive and are considered to be bio-equivalent to their branded counterparts (that is, they're just as effective). In some states, unless the doctor designates DAW (dispense as written) on your prescription, the pharmacist may substitute a generic drug automatically.

If your doctor prescribes a new drug for you, **ask if there is a generic version available**. Some generics are even available for free.

If there is no generic available, then ask about other drugs in the same "class" of drugs. Drugs that share a class are intended to have the same effect, and usually have similar ingredients. However, there may be significant differences in your insurance co-pays for different drugs in the same class, so it pays to investigate.

Doctors may also have samples of the drugs they prescribe for you. While you'll only be able to use samples in the short term, they include enough of the drug for you to determine whether or not you'll suffer a reaction or side effect from taking it. Finding this out will prevent you from paying for a full prescription of a drug that could be useless to you. Keep in mind that typically these free samples are only available for expensive branded drugs. If you end up using that medication in the long run, your total out of pocket cost could end up being more than if you had opted for a less expensive alternative. You need to weigh your options.

PARTNER WITH YOUR PHARMACIST

As the saying goes, “Your pharmacist is your friend.” Oftentimes your pharmacist will have a drawer full of **coupons from the manufacturers for either free or discounted drugs**, especially newer drugs. **Ask him/her for any coupons** that may help with curbing the cost of your medication.

Additionally, your pharmacist may be able to recommend less costly alternative drugs in the same class for you to discuss with your doctor on your next visit.

PATIENT ASSISTANCE PROGRAMS

Many pharmaceutical companies have **programs that provide their drugs at deep discounts or even free** for people in need. If you have a prescription for a high-cost drug, check out the company’s website to see if they offer assistance. You can also look up patient assistance programs on the NeedyMeds website (www.needymeds.org), which provides information on almost 6,000 programs.