

Endocrine Society recommends government negotiation and other policies to lower out-of-pocket costs

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The Endocrine Society is calling on policymakers to include government negotiation as part of an overall strategy to reduce insulin prices in its updated position statement published today in *The Journal of Clinical Endocrinology & Metabolism*.

More than 34 million Americans have diabetes, and another 88 million are at risk for developing the disease. The cost of [insulin](#) has nearly tripled in the past 15 years, and a lack of transparency in the drug [supply chain](#) has made it challenging to identify and address the causes of soaring [costs](#).

Federal law currently prohibits Medicare, which accounts for a third of all drug spending, from negotiating directly with pharmaceutical companies over drug prices. Legislation empowering the government to negotiate lower insulin prices could save billions and provide more benefits to Medicare beneficiaries.

"Inventors Frederick Banting and Charles Best sold the insulin patent for a mere \$1 in the 1920's because they wanted their discovery to save lives and for insulin to be affordable and accessible to everyone who needed it," said Endocrine Society President-Elect Carol Wysham, M.D., of the Rockwood/MultiCare Health Systems in Spokane, Wash. "People with diabetes without full insurance are often paying increasing out-of-pocket costs for insulin resulting in many rationing their medication or skipping lifesaving doses altogether."

Rising costs have limited access to affordable insulin for many people with diabetes, especially low-income individuals, those on high deductible health plans, Medicare beneficiaries, and those who turn 26 and must transition from their parents' insurance.

All stakeholders across the supply chain from

manufacturers to employers have a role to play in addressing the high cost of insulin. Patient Assistance Programs need to be more inclusive and accessible, and rebate programs, another effort to reduce costs, should be used by employers to reduce patients' out-of-pocket costs and health insurance premiums.

The Society recommends the following policy changes to increase access to affordable insulin:

- Allowing government negotiation of drug prices
- Creating greater transparency across the supply chain to understand rising insulin costs
- Limiting future list price increases to the rate of inflation
- Limiting out-of-pocket costs through one, or more, of the following policies without increasing premiums or deductibles:
 - Limiting cost-sharing to a co-pay of no more than \$35
 - Providing first-dollar coverage
 - Capping costs at no more than \$100 per month
- Eliminating rebates, or passing savings from rebates along to consumers without increasing premiums or deductibles
- Expediting the approval of insulin biosimilars to create competition in the marketplace
- Including real-time benefit information on medication costs in [electronic medical records](#)
- Developing a payment model for Medicare Part B beneficiaries in addition to Part D that lowers their out-of-pocket co-pay

"Addressing Insulin Access and Affordability: An Endocrine Society Position Statement," and other

insulin related resources can be found on the Society's [100 Years of Insulin](#) website. The Endocrine Society is celebrating the discovery of insulin with this collection of resources and different activities throughout the year.

Provided by The Endocrine Society

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