

More Balk at Cost of Prescriptions

By JONATHAN D. ROCKOFF

Growing numbers of Americans with health insurance are walking away from their prescriptions at the pharmacy counter, the latest indication that efforts to contain costs may be curbing health-care consumption.

A review of insurance-claims data shows that so-called abandonment—when a patient refuses to purchase or pick up a prescription that was filled and packaged—was up 55% in the second quarter of this year, compared with four years earlier.

The phenomenon coincides with rising co-payments for many drugs and increasing enrollment in high-deductible insurance plans that require patients to pay hundreds or thousands of dollars out of pocket before insurance kicks in.

Patients are deserting prescriptions for the most expensive drugs most often, according to the review by Wolters Kluwer Pharma Solutions, a health-care data company. For instance, nearly one in 10 new prescriptions for brand-name drugs were abandoned by people with commercial health plans in the quarter, up 88% from four years earlier, when the data were first tracked and before the recession began. Abandonment of generic drugs was higher, too, according to the data.

The trend is driven in part by higher out-of-pocket costs for covered medicines, pharmacists and Wolters Kluwer officials say. The average co-pays for brand-name drugs such as cholesterol fighter Lipitor rose to \$28 a prescription this year, an 87% jump from 2000, according to the Kaiser Family Foundation. Some co-pays can be as high as \$100.

“More and more people are questioning spending that much money and whether it’s going to make a difference, and rationalizing it’s OK” to forgo their prescriptions, said Anthony Coniglio of OPUS Pharma Consulting, who advises drug makers on helping patients to get and take their

medicines. Doctors worry patients will suffer serious and costly consequences if they don’t take medicines they need. Also, the failure to pick up prescriptions is likely to put somewhat of a dent in drug-company revenue.

The abandonment rates come from an analysis of 80 million claims that pharmacies make each month for payment, about 40% of the total market. Wolters Kluwer collects the data from more than 24,000 independent and chain pharmacies. Drug makers use abandonment statistics to assess the reasons for lost sales.

Prescription-drug use had long been considered immune from financial pressures, because people get sick regardless of the economy’s ups and downs. But growing evidence aside from the abandonment data suggests price is increasingly a factor.

At City Drug Co. in Huntingdon, Tenn., shelves behind the counter are crowded with unclaimed prescriptions, said owner Tim Tucker. The pharmacy puts back more than 100 abandoned prescriptions each week, about a quarter of those its pharmacists fill, up from seven a week just a half-year ago, Mr. Tucker said.

Many are for drugs crucial to people’s health, but customers balk when told their share of the price, Mr. Tucker said.

“They just say, ‘I can’t afford it. I can’t get it.’ And they turn around and walk away,” he said.

Mark Spiers, chief executive of Wolters Kluwer, points to efforts by employers and health plans to control fast-growing health-care spending by shifting more costs to consumers. The out-of-pocket costs, combined with people’s sense they can’t afford it, is causing some to make “real consumption choices about prescriptions versus other goods for their home,” Mr. Spiers said.

High-deductible health plans, with their lower premiums, are another factor. Nearly three times as many people enrolled in such plans in 2010 compared with four years earlier, the Kaiser Family

Foundation found.

Among them: Sharalee Brockway, a bank teller in Great Falls, Mont. After switching employers in April, Ms. Brockway said, she chose a high-deductible plan for herself and her 12-year-old son because it took less out of her paycheck. The next month, when she went to pick up asthma medicine for her son and an antidepressant for herself, the pharmacist told her it would cost more than \$335.

“I said, ‘I can’t afford that,’” recalled Ms. Brockway, who left the prescriptions at the pharmacy. She returned later and bought a less-expensive prescription for her son. “I didn’t want him to not have it, because [the asthma] affects him so much.”

Since then, Ms. Brockway arranged to get help covering drug expenses through the [HealthWell Foundation](#), which helps low-income patients with insurance.

The foundation received 55,135 applications in the first six months of this year, up 23% from the same period last year, it said.

Volume is also increasing at drug makers’ assistance programs. Companies that help patients with co-pays typically pay a quarter to half of the cost, said Mark Calabrese, who helps set up and run the programs. His firm, marketing consultant Cegedim Relationship Management, is processing more than 500,000 claims for discounts a month, up from 300,000 at the end of last year.

Drug makers declined to comment.

Anne Peters, director of the University of Southern California’s Clinical Diabetes Program, is already seeing an impact in some patients. They lost control of their blood-sugar levels after either abandoning Lantus insulin prescriptions or spacing out its use because of the expense, she said.

In response, Dr. Peters is prescribing a less-expensive insulin sold at Wal-Mart Stores Inc. A 10ml vial of Lantus costs \$111.88 on drugstore.com, while Wal-Mart



charges \$24.88 for the same size vial of Humulin ReliOn insulin. "It's not necessarily the insu-

lin I would have chosen for them—because it's not long-act-

ing—but it's much less expensive," she said.

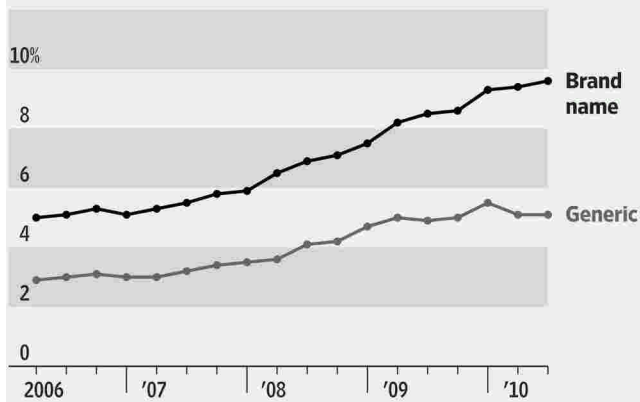


Christopher Berkey for The Wall Street Journal

Pharmacy clerk Hillary Peterson at City Drug Co. in Huntington, Tenn., where the owner says the shelves are full of unclaimed prescriptions.

Deserted Drugs

Percentage of new prescriptions filled that patients with commercial health plans refuse to pay for or pick up



Source: Wolters Kluwer Pharma Solutions