

Tackling the Top-Five Quick Guide:

Use of More Expensive Branded Drugs when Identical Generics are Available

WHAT



Branded medications should not be prescribed when less expensive, chemically *identical* generics are available. This is distinct from “therapeutic substitution”, when non-identical medications are substituted for one another with the same intended therapeutic effect.

WHY

- Although not always true, in most cases branded drugs are vastly more expensive, both for a purchaser and for the patient out-of-pocket.
- **Prescribing more expensive, chemically identical medication buys ZERO health per extra dollar.**

BURDEN

- According to data from QuintilesIMS, purchasers would have saved \$14.7 billion in 2016 had 100% of prescriptions with generics available been dispensed as generics.¹

How to measure and model language:

- [Specifications for claims-based analyses](#) to measure wasteful utilization and spending in-house, based on previous studies to measure Top Five.
- [The Milliman MedInsight Health Waste Calculator](#)
- [RFI language to discuss low-value care with your TPA or carrier.](#)

Reading list:

- [What Are Generics? \(FDA\)](#)
- [Improving Adherence to Therapy and Clinical Outcomes While Containing Costs: Opportunities from the Greater Use of Generic Medications \(Annals of Internal Medicine\)](#)

Counter-points: it’s important to distinguish between “therapeutically equivalent” and “chemically identical” generics. When reviewing research on generic substitution, some estimates of savings or of utilization may be counting therapeutically equivalent and be less clinically conservative. Therapeutically equivalent drugs are often different in some way, such as delivery mechanism, that may or may not make the drug perform differently for any given patient. There is significant debate about the value of therapeutically equivalent, but there are some branded drugs still used today (such as Lipitor) that have identical generics – these drugs do not buy additional health per dollar.

¹ <https://accessiblemeds.org/sites/default/files/2017-07/2017-AAM-Access-Savings-Report-2017-web2.pdf>