



CONSORTIUM FOR CITIZENS  
WITH DISABILITIES

## **OBSTACLES TO GENERIC DRUG COMPETITION CAN PREVENT ACCESS TO NEEDED MEDICATIONS THAT MAY DIMINISHED HEALTH**

*Generic drugs reduce risk of failure to access needed medications related to health.*

A forum was held at the Center for American Progress on “Removing Obstacles to Generic Drug Competition”. Participants at the forum were general counsel of the Senate Antitrust subcommittee, and representatives of business and pharmaceutical research.

### **Summary**

There is a regulatory regimen to facilitate generic drug creation that can result in consumer savings and access to affordable medicines through generic competition. Generic drugs cost, on average, are 70% less than branded drugs and yielded \$734 billion in savings between 1998 and 2009, Patent settlements delay new generic drugs from entering the market that increase health care costs and cost consumers \$12 billion a year in higher drug costs. There are more than \$60 billion in drugs scheduled to go “off patent” by 2012

There are numerous forms of anticompetitive conduct in pharmaceutical markets because companies manipulate the regulatory process and make pharmaceutical markets different than other markets that lead to abuses of market power. Procedures that delay generic drugs from entering to the market that increase consumer costs and health care include; 1) payments made by brand name manufacturers to generic companies for settlements of patent litigation that delay entry of generic drugs, 2) extending the period of patent protection by obtaining patents on trivial modifications (i.e. product hopping), 3) drugs manufactured by brand name companies sold under generic labels, which are designed to reduce incentives for generic companies to challenge patents and 4) misuse of the regulatory system through sham filings with the patent office and the Food and Drug Administration

### **Disability Prevention Issue**

There are many low income vulnerable people who find it difficult to purchase needed medications. Failure to follow through on necessary medical treatments because of costs could diminish health and contribute to disability.

### **Activity**

A letter was written to a keynote presenter to comment on barriers to generic medications from a perspective of diminished health of people in America

**Principle**

There should be Congressional remedies that 1) prohibit exclusion payments in patent settlements and 2) the Federal Trade Commission should investigate and challenge product “hopping” and use of sham regulatory filings to subvert the regulatory process.