Twitter Thread by Shabbir Safdar



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1/@RANDCorporation just put out a report on drug prices amongst the G7, and the methodology is somewhat appalling. I'm kind of hoping @DrugChannels looks at it because it contains such glaring errors worthy of an Adam Fein Policy Roast.

2/In the introduction of the report (p.viii) they admit that they can't actually compare prices of drugs because US drugs include rebates and many of those aren't public info. So they start out the report by saying they're going to use incorrect numbers....

3/"Although prices net of rebates and other discounts paid by manufacturers after drugs are dispensed are particularly relevant in the United States, these prices are generally not available to researchers."

4/Honestly the report should have stopped right there. How do you honestly proceed after such a whopper of a flaw in your own methodology? What's worse is they buried the useful observation

5/"for unbranded generic drugs (with U.S.
prices at 84 percent of those in comparison countries). Unbranded generics represent 84 percent
of volume in the United States, compared with 35 percent of volume for the other OECD
countries in the study."

6/Get it? 85% of the volume of medicine in the US is also 84% lower in price that the other OECD countries in the study. How you then get a summary point that the real news is that 16% of the medicines dispensed in the US are a higher price should not be the news.

7/The news should be that everyone should be copying the U.S. unbranded generics model and calling the @AccessibleMeds begging them for advice. Another great stat is that the US has an 85% unbranded generic utilization vs. 35% in most other countries.

8/The question is "where did this report come from"? Well, it was commissioned by HHS in 2019, which means it was a political report. How you can get to this conclusion when your report shows such an amazing result is because you know the answers your client wants.

9/Drug pricing is complicated, and health insurers and PBMs have effectively cost-shifted it to consumers while reducing their own bottom lines through rebates they withhold from consumers. Fixing it will be complicated too, and research this bad will hinder fixes for years.

10/My great thanks to my friend, colleague, and advisory board member Dr. Kenneth McCall at @unetweets for making sure I saw this.

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