

Over-spending and under-treating: drugs as a paradigm of the chaos in American medicine

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National Health Policy Forum

March 4, 2005

Medications: a useful case study

- Can precisely specify costs and utilization
- Outcomes are well-defined
- Can compare use and costs across nations, regions, practices

Drugs mirror other medical interventions

- The U.S. spends more per capita than any other nation
- Practice is frequently not evidence-based
- Minimal evidence of better health outcomes
- Survey data: patient satisfaction worse, not better

“Flat-of-the-curve medicine”...

.....or even worse?

Policy must foster three things:

1. *Comparison* of the relative efficacy, safety, and cost-effectiveness of interventions;
2. *Communication* of that information to physicians, patients, and systems;
3. *Alignment* of decisionmaker incentives to facilitate better choices.

The marketplace is not doing any of these adequately.

Comparing competing interventions

- Public-sector research virtually ignores comparative evaluation of drugs, diagnostics, etc.
- Amazing results when it does this work:
 - ALLHAT
 - Hormone replacement therapy trials
- Private-sector research funds studies that promote sales of its products.

Communicating the facts

- Weak foundation laid in medical schools.
- Most doctors learn about new drugs from promotional sources.
- Most continuing medical education is supported by drug industry.
- Impartial voices are less sophisticated and effective than companies'.
- No quality-control to assure MDs' current knowledge.

Misaligned incentives

- MDs are lone entrepreneurs with little incentive for cost-effective care or QI
- Drug companies are daunting marketing machines
- Patients are vulnerable targets for promotion
- Insurers are passive, confused payors
- Pharmacists are mostly out of the loop

What we need to do now

1. Comparative evaluation of competing interventions

- Methodologically straightforward
- Obvious clinical questions
- Only issue is who will fund this work:
 - federal research dollars
 - private sector payors (HMOs, insurers)
 - big governmental payors (Medicare, VA, Medicaid, other state programs)

The economics are compelling

- Sen. Grassley: the U.S. government spent over \$1 billion on Vioxx last year.
- Most of that was unnecessary...and that's just one drug.
- Several billion more wasted in BP meds
 - Fischer and Avorn, JAMA 2004
- This is about spending *fewer* government dollars, not more.

Re-balancing the flow of data

- Asymmetry of expertise and access guarantee a skewed information flow.
- The “academic detailing” experience
- Who will fund evidence-based outreach?
 - HMOs, insurers
 - state governments
 - *not* the feds

Reasons for optimism

- The system is coming more unglued each day.
- Costs are out of control.
- Cross-national comparisons are obvious and embarrassing.
- Growing public outrage over drug issues.
- Political and economic influence of big pharma will wane.
- *Neither more money nor rationing is needed!*

Something for everyone

- the Right will appreciate:
 - cost containment of public programs
 - better flow of information to consumers
- the Left will appreciate:
 - survival of public programs
 - attenuation of excessive corporate influence

Precedents

- the interstate highway system
- national defense
- education
- basic biomedical research
- The key is to have disinterested experts in charge of content (as in NIH).
- A pluralistic approach could help prevent abuses, inefficiency.

The future

*The lion shall lie down with the
lamb.....*

But the lamb won't get much sleep.”

--Woody Allen

for more details:

www.PowerfulMedicines.org