



The U.S. Generic & Biosimilar Medicines Savings Report

SEPTEMBER 2023



Overall Savings Generated by Generics and Biosimilars

Topline Findings

Total Savings from Generics and Biosimilars

- Total generic and biosimilar savings in 2022: \$408 billion
- Total generic and biosimilar savings for the past ten years: \$2.9 trillion
- Total generic and biosimilar savings in Medicare in 2022: \$130 billion (\$2,563 per beneficiary)
- Total generic and biosimilar savings in the commercial market in 2022: \$194 billion
- Share of total U.S. prescriptions filled: 90 percent
- Share of total U.S. prescription drug spending: 17.5 percent
- Share of total U.S. health care spending: 1.5 percent

Generic Savings

- Average generic copay: \$6.16
- Average brand-name copay: \$56.12
- 92 percent of generics have a copay less than \$20; 53 percent of brands have a copay less than \$20

Biosimilar Savings

- Savings in 2022: \$9.4 billion
- Total savings since first biosimilar entry in 2015: \$23.6 billion
- Total days of patient therapy since 2015: 694 million
- Incremental days of patient therapy that would not have occurred without biosimilar competition: 344 million

Annual Savings From Generic and Biosimilar Medicines



Source: IQVIA National Sales Perspective, December 2022.



Biosimilars Are Delivering Savings and Expanding Patient Access

42

APPROVED

36

MARKETED



Biosimilar savings since 2015
\$23.6 BILLION



Biosimilars have been used in more than
694 MILLION DAYS of patient therapy and
have resulted in more than **344 MILLION
INCREMENTAL DAYS** of therapy

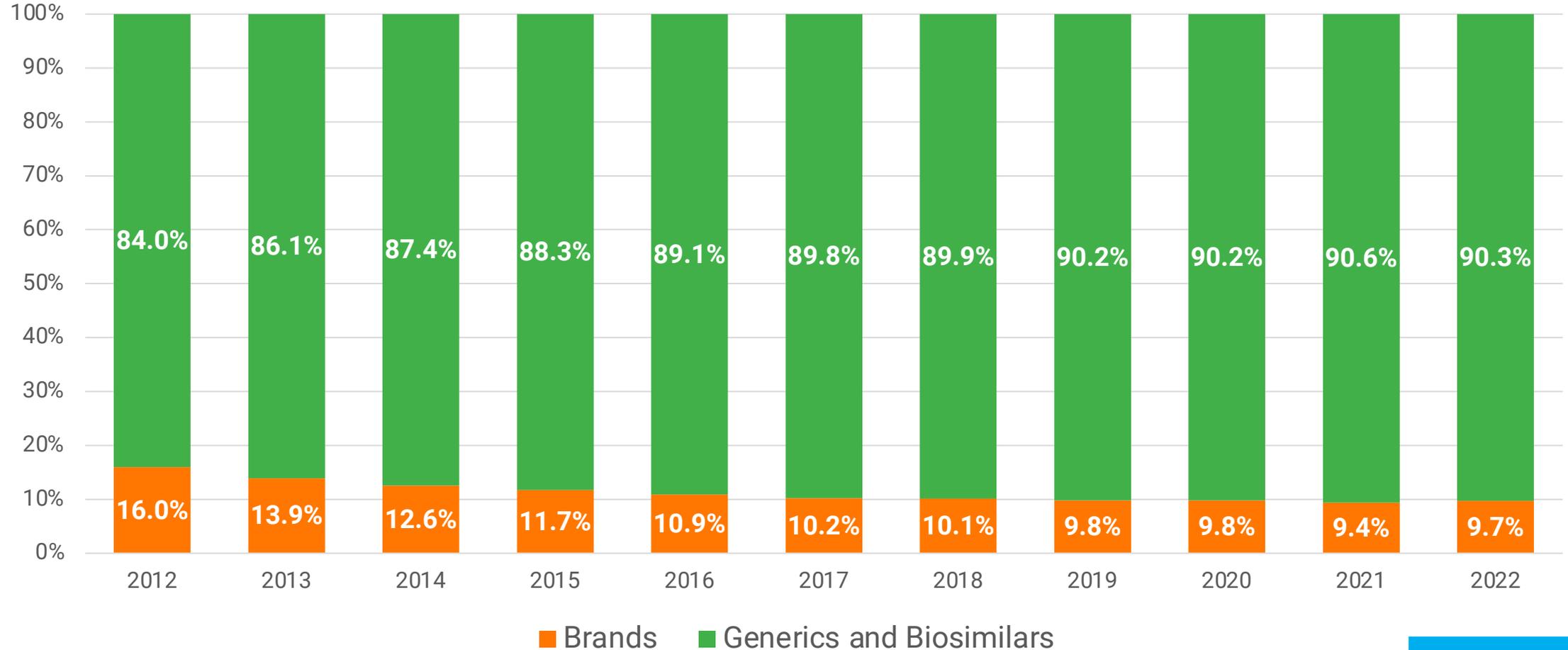


Biosimilar competition is driving lower
prices among biosimilars and their
reference products

Source: US FDA and AAM Commercial Assessment.
Savings and patient day data developed by the Biosimilars Council with IQVIA

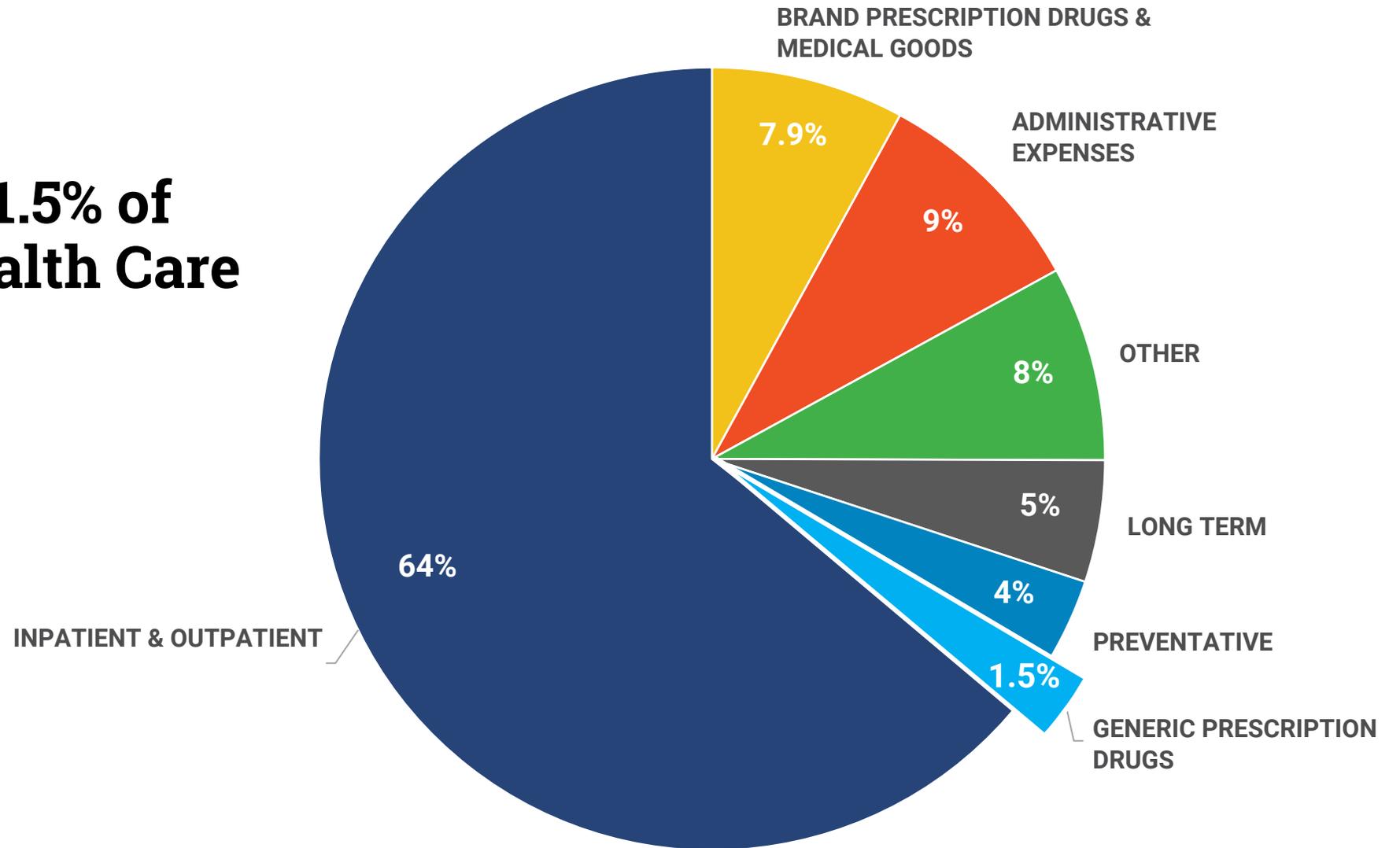


Generics and Biosimilars Are More Than 90% of Prescriptions but Less Than 18% of Spending



Source: IQVIA National Sales Perspective, June 2022.

Generics are 1.5% of Total U.S. Health Care Spending



Source: Keehan, SP, Fiore JA, et al. National Health Expenditure Projections, 2022–31: Growth To Stabilize Once The COVID-19 Public Health Emergency Ends". Health Affairs 2023 42:7, 886-898;



Savings by Category

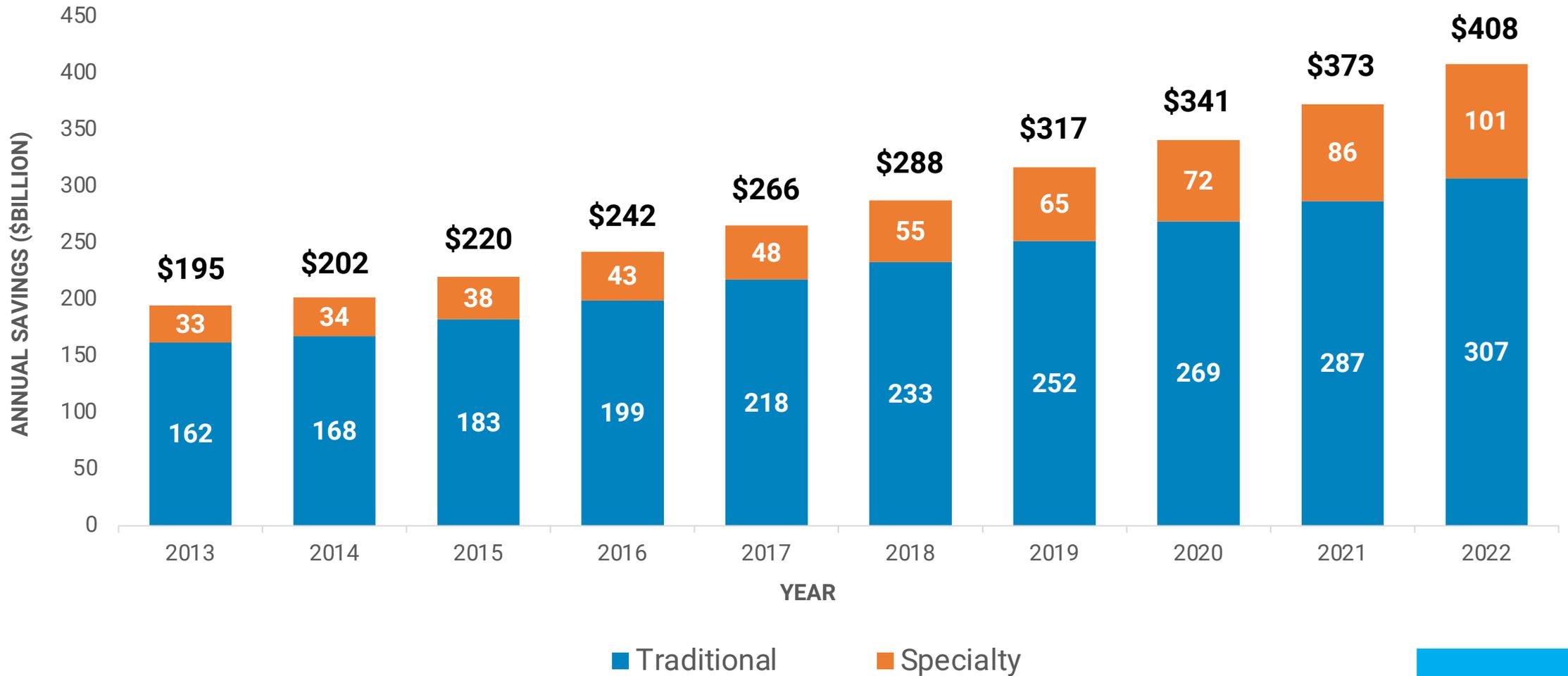
Top 10 Generic Products with Greatest Savings in 2022

PRODUCTS	GENERIC ENTRY YEAR	BRAND PRE-EXPIRY PRICE (PER UNIT)	PRICE OF GENERIC EQUIVALENT 2020 (PER UNIT)	2021 SAVINGS (\$BILLION)	PERCENT SAVINGS
Glucophage	2001	\$0.66	\$0.04	\$5.63	94%
Neurontin	2003	\$1.02	\$0.06	\$7.60	95%
Lipitor	2010	\$3.29	\$0.08	\$22.38	97%
Toprol XI	1993	\$0.41	\$0.06	\$2.09	85%
Norvasc	2006	\$1.54	\$0.02	\$7.92	99%
Zestril	1998	\$0.67	\$0.03	\$3.18	96%
Cozaar	2009	\$1.51	\$0.08	\$5.85	95%
Prilosec	2001	\$3.31	\$0.04	\$12.87	99%
Amoxil	1993	\$0.04	\$0.03	\$0.02	14%
Cephulac	1993	\$0.02	\$0.01	\$0.03	41%

Source: IQVIA National Sales Perspectives, December 2022.



Specialty Generic and Biosimilar Savings Continue to Grow



Source: IQVIA National Sales Perspective, December 2022.

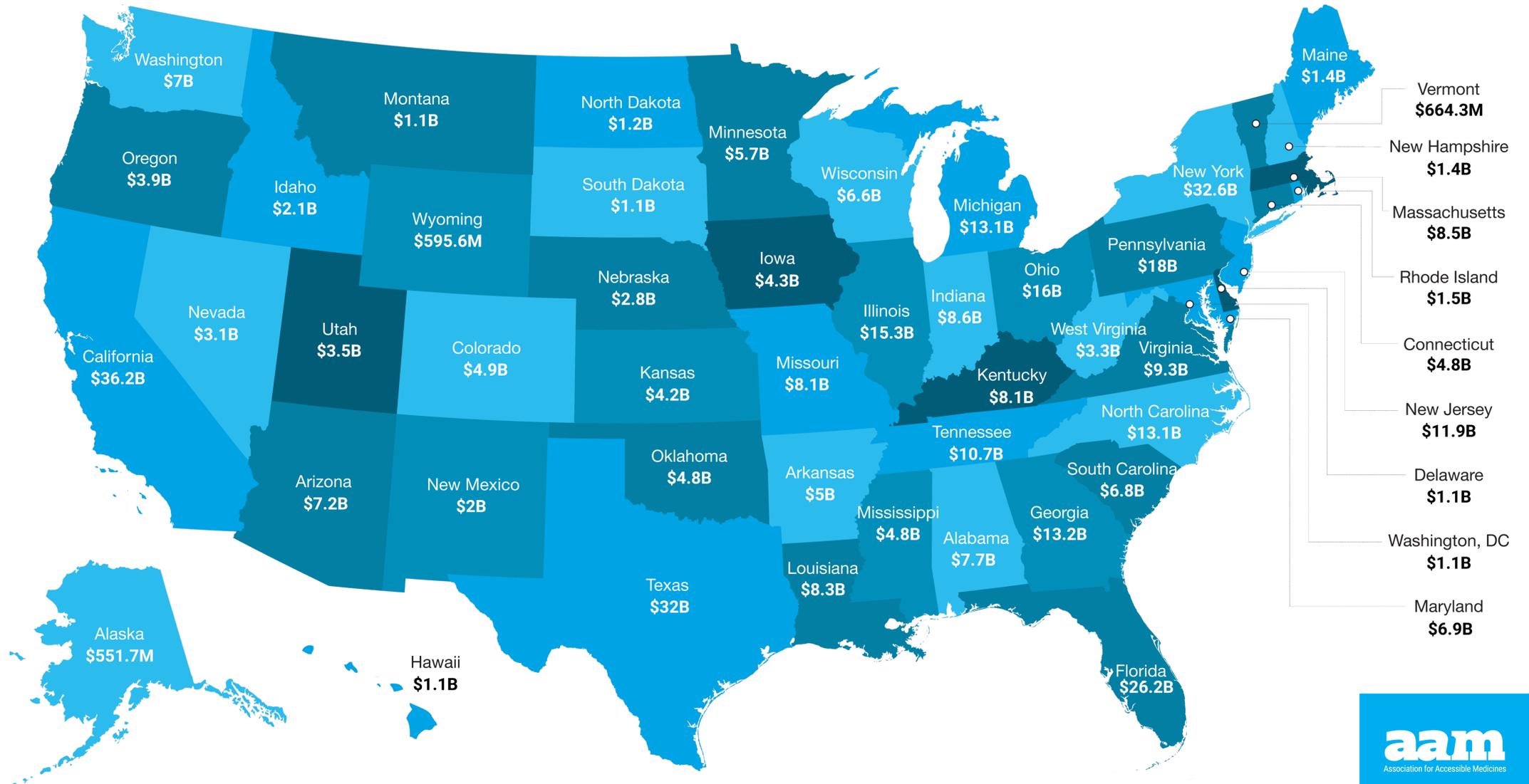


Savings by Condition

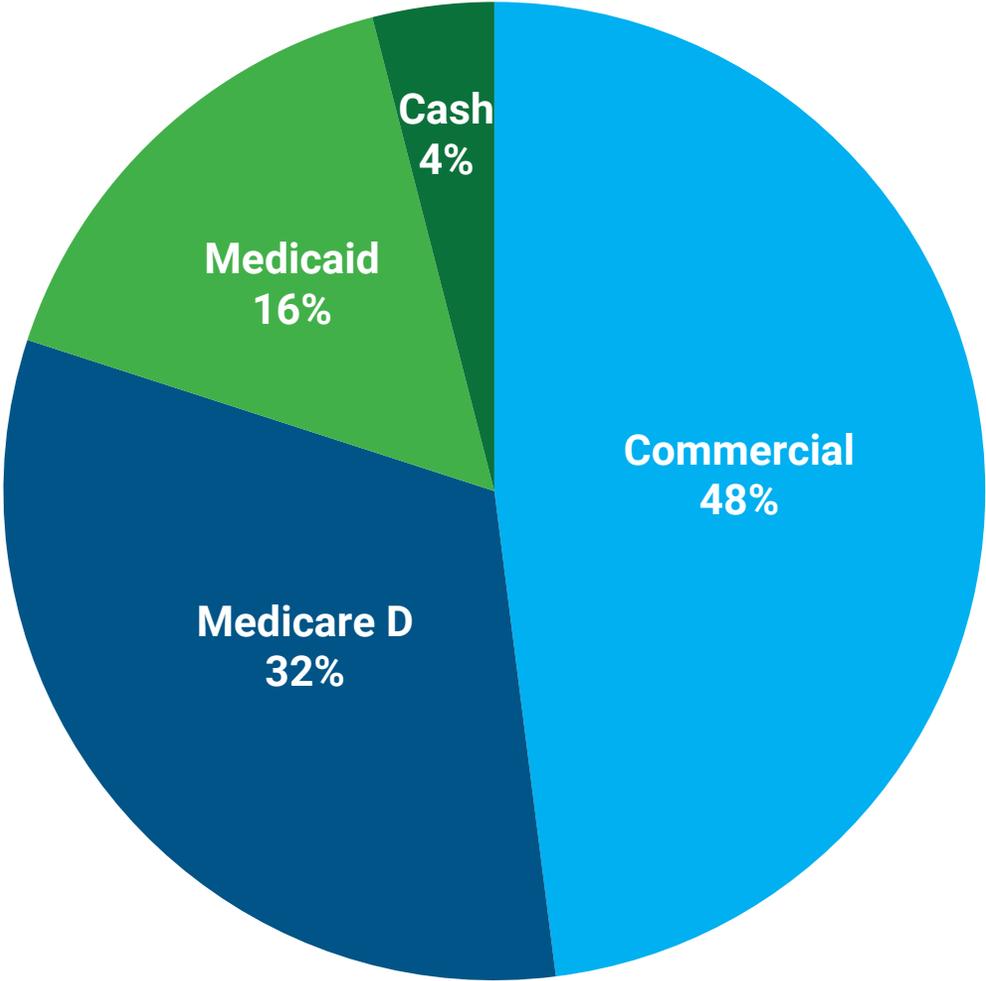
CONDITION	TOTAL SAVINGS (PRIMARY CONDITION + COMORBIDITIES)
Heart Disease	\$104.5 Billion
Anxiety and Depression	\$60.5 Billion
Diabetes	\$59.5 Billion
Epilepsy	\$42.2 Billion
Allergies and Asthma	\$11.3 Billion
Breast Cancer	\$8.9 Billion
Parkinson's Disease	\$6.4 Billion
Alzheimer's Disease	\$6.2 Billion
Chronic Obstructive Pulmonary Disease (COPD)	\$6.1 Billion

Source: Avalere. Analysis of Conditional Level Savings using IQVIA National Sales Perspectives Data (December 2022). Complete methodology included at conclusion of report.

2022 Generic and Biosimilar Savings by State



2022 Generic and Biosimilar Savings by Payer



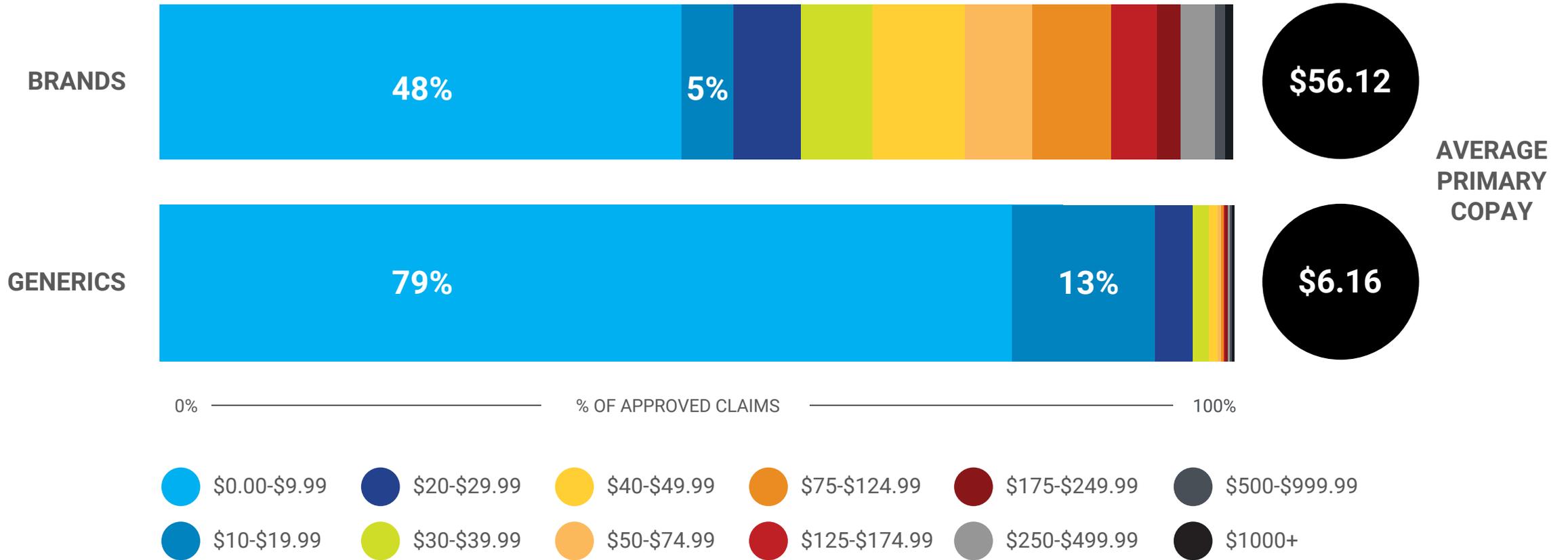
Source: IQVIA National Sales Perspective, June 2022.





Patient Out-of-Pocket Costs

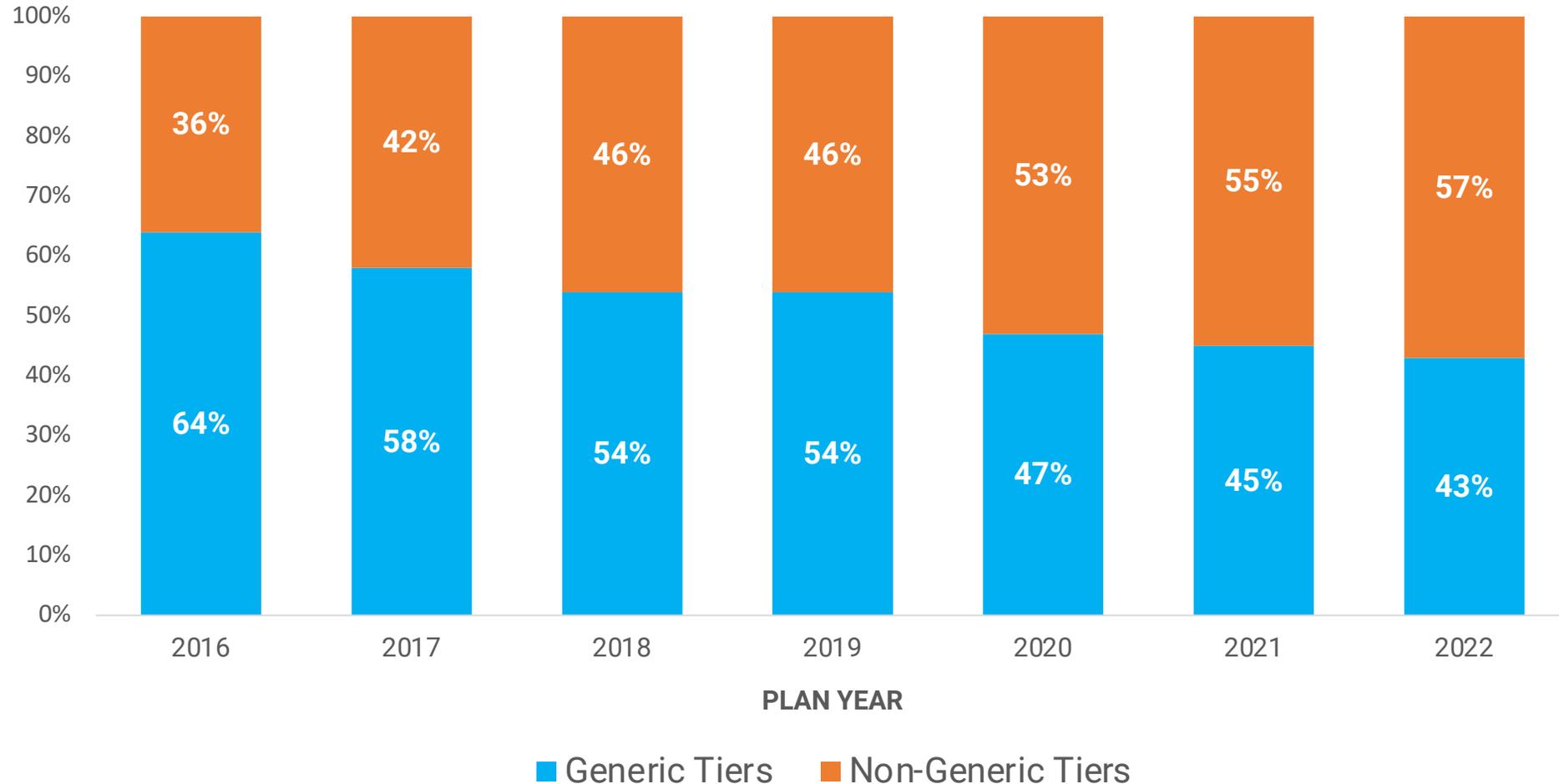
Patients Pay More for Brands Than Generics



Source: IQVIA LAAD dataset; U.S. Market Access Strategy Consulting Analysis.



Fewer Than Half of Generics Are on Generic Tiers in Medicare



Source: Avalere. 57% of Generic Drugs Are Not on 2022 Part D Generic Tiers (January 2022).
Accessible at: <https://avalere.com/insights/57-of-generic-drugs-are-not-on-2022-part-d-generic-tiers>

Medicare Plans Are Making Patients Pay More for Generics



In 2011 and 2019...

Annual spending on select generic drugs by seniors in Medicare increased by 135%, even as the prices for those drugs fell 38%



Between 2017 and 2020...

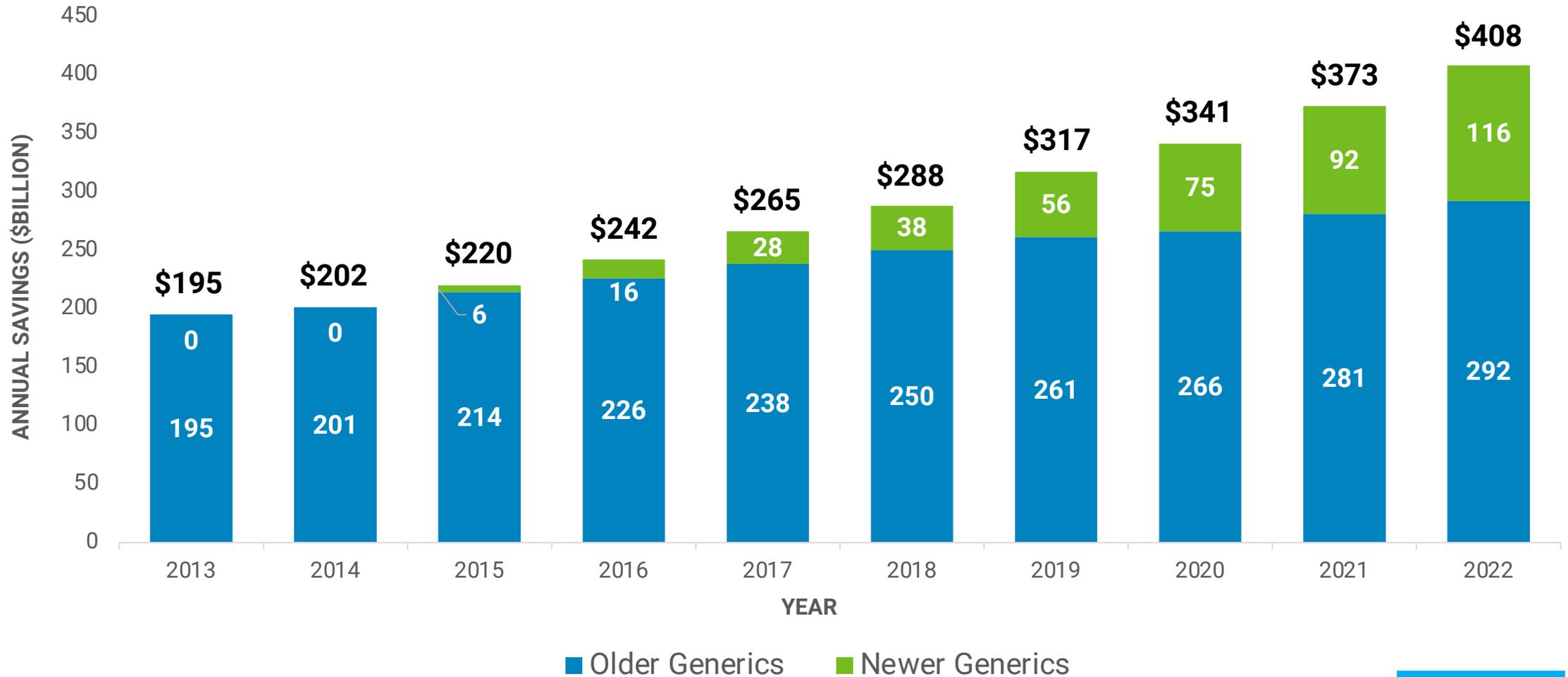
The portion of seniors in Medicare forced to pay the full cost for at least one generic increased from 45% to 63%

Source: Avalere. Some Medicare Part D Beneficiaries Pay Full Price for Generic Drugs (July 2022). Accessible at: <https://avalere.com/insights/some-medicare-part-d-beneficiaries-pay-full-price-for-generic-drugs#:~:text=Summary,on%20the%20preferred%20brand%20tier>; Association for Accessible Medicines. Patients Pay More When Generic Drugs Are Placed On Non-Generic Tiers, Even Though Prices for Generics Are Going Down (October 2022). Accessible at: <https://accessiblemeds.org/resources/blog/patients-pay-more-when-generic-drugs-are-placed-non-generic-tiers-even-though-0>



New Generic Savings

Savings from New Generic and Biosimilar Competition Are Growing



Source: IQVIA National Sales Perspective, December 2022.



Medicare Plans Are Particularly Slow to Cover New Generics

Launch year	2016		2017		2018		2019		2020		2021		2022	
	M	C	M	C	M	C	M	C	M	C	M	C	M	C
2016	22%	46%	31%	68%	63%	72%	58%	72%	60%	76%	62%	78%	61%	90%
2017			12%	58%	25%	73%	58%	73%	65%	76%	65%	76%	64%	89%
2018					17%	39%	27%	49%	51%	59%	54%	60%	54%	84%
2019							31%	44%	59%	60%	72%	61%	72%	88%
2020									21%	55%	41%	66%	60%	90%
2021											23%	86%	46%	89%

Medicare Part D (M)
 Commercial (C)

Source: Association for Accessible Medicines. Middlemen Increasingly Block Patient Access to New Generics (January 2023). Accessible at: <https://accessiblemeds.org/sites/default/files/2023-01/AAM-Middlemen-Block-Patient-Access-New-Generics-2023.pdf>





Biosimilars

U.S. Biosimilars Market

As of August 2023



Class	Supportive Care			Oncology			TNF Blockers			Insulin	Ophthalmology	Multiple Sclerosis
Molecule	Filgrastim	Epoetin	Pegfilgrastim	Rituximab	Bevacizumab	Trastuzumab	Infliximab	Etanercept	Adalimumab	Insulin Glargine	Ranibizumab	Natalizumab
Innovator	Neupogen (Amgen)	Epogen/Procrit (Amgen / JnJ)	Neulasta (Amgen)	Rituxan (Genentech)	Avastin (Genentech)	Herceptin (Genentech)	Remicade (JnJ)	Enbrel (Amgen)	Humira (AbbVie)	Lantus (Sanofi)	Lucentis (Genentech)	Tysabri (Biogen)
Launched Manufacturer Launch Date	Zarxio Sandoz Sep 2015	Retacrit Pfizer/Vifor Nov 2018	Fulphila Biocon Jul 2018	Truxima Teva Nov 2019	Mvasi Amgen Jul 2019	Kanjinti Amgen Jul 2019	Inflectra Pfizer Nov 2016	Ongoing litigation forecasted launch 2028/2029	Biosimilars referencing Humira will launch in 2023	INT Semglee Biocon Nov 2021	Byooviz Biogen Jun 2022	Tyruko Sandoz Aug 2023
	Nivestym Pfizer Oct 2018		Udenyca Coherus Jan 2019	Ruxience Pfizer Jan 2020	Zirabev Pfizer Jan 2020	Ogivri Biocon Nov 2019	Renflexis Organon Jul 2018			INT Rezvoglar Eli Lilly Dec 2021	INT Cimerli Coherus Aug 2022	
	Releuko Amneal Mar 2022		Ziextenzo Sandoz Nov 2019	Riabni Amgen Jan 2021	Alymsys Amneal Oct 2022	Trazimera Pfizer Feb 2020	Avsola Amgen Jul 2020	Erelzi Sandoz Aug 2016	Amjevita Amgen Feb 2023	Yusimry Coherus Jul 2023	Interchangeability designation	
			Nyvepria Pfizer Dec 2020		Vegzelma Celltrion Sep 2022	Herzuma Teva Mar 2020	Ixifi Pfizer Dec 2014	Eticovo Samsung Aug 2019	Abrilada Pfizer Jul 2023	Idacio Fresenius Kabi Jul 2023		
			Stimufend Fresenius Kabi Feb 2023			Ontruzant Organon Apr 2020			Hyrimoz** Sandoz Mar 2023	Hulio Biocon Jul 2020		
			Fylnetra Amneal May 2022						INT Cyltezo BI Jul 2023	Yuffyma Celltrion May 2023		
									Hadlima*** Samsung Bioepis July 2023			

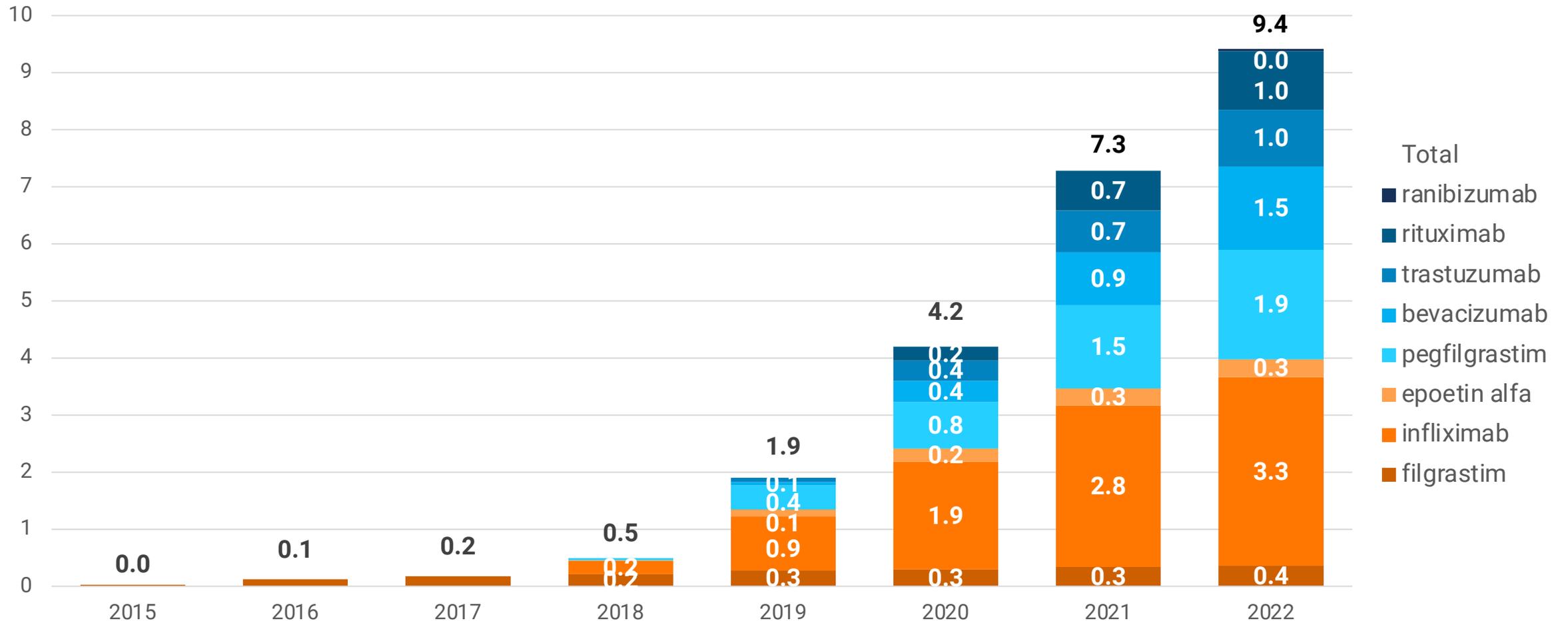
Approved Manufacturer FDA Approval Date

Source: Food and Drug Administration. Biosimilar Product Information (August 2023)
 Accessible at: <https://www.fda.gov/drugs/biosimilars/biosimilar-product-information>;
 Launch dates evaluated through AAM assessment

**A high concentrate (March 2023) and low concentrate (October 2018) version are approved.

***A high concentrate (August 2022) and low concentrate (July 2019) version are approved

Biosimilar Savings Continue to Increase



Source: IQVIA National Sales Perspective, December 2022



Biosimilars Are Now a Core Element of Patient Care



**694
MILLION**

Total Days of Therapy for
Patients on Biosimilars



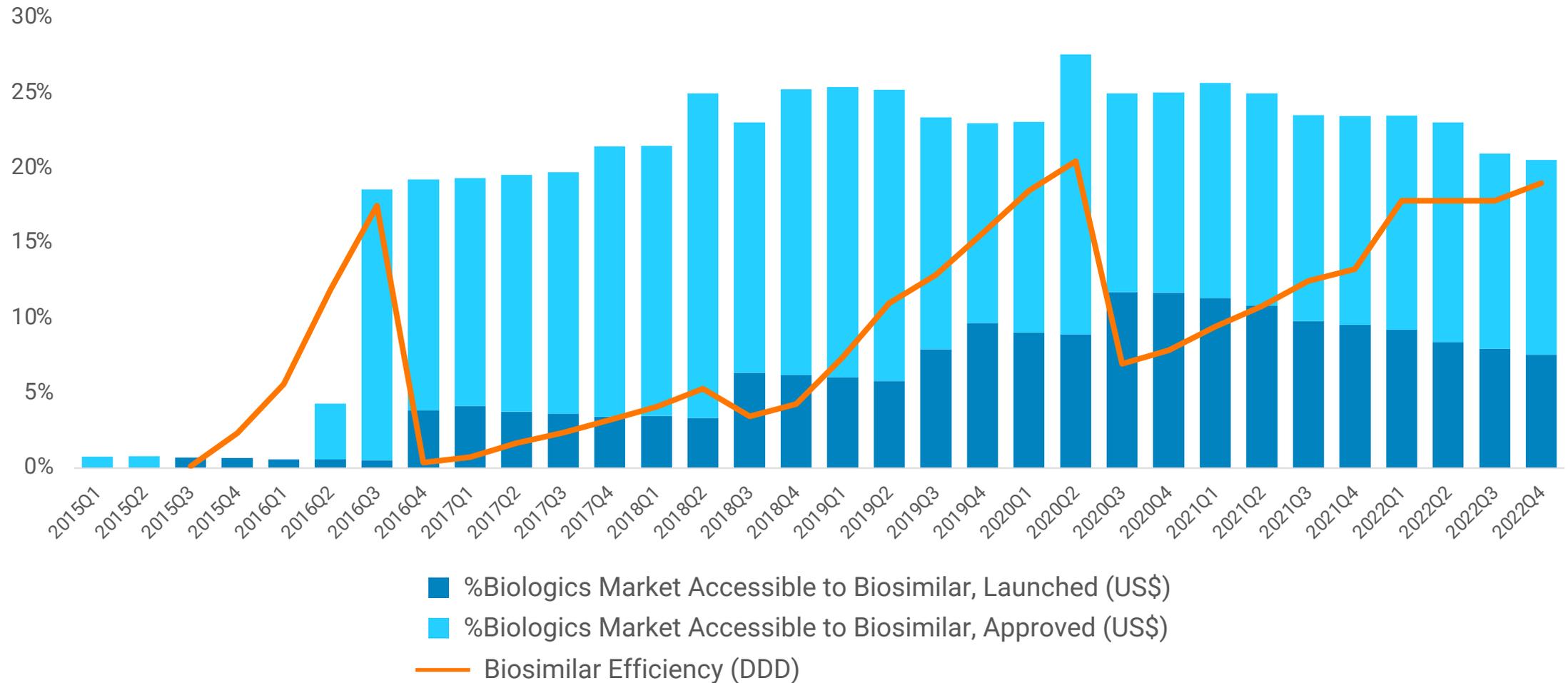
**344
MILLION**

Additional Patient Days Due
to the Availability of
Biosimilars

Source: IQVIA analysis of defined daily dose information and product volume.



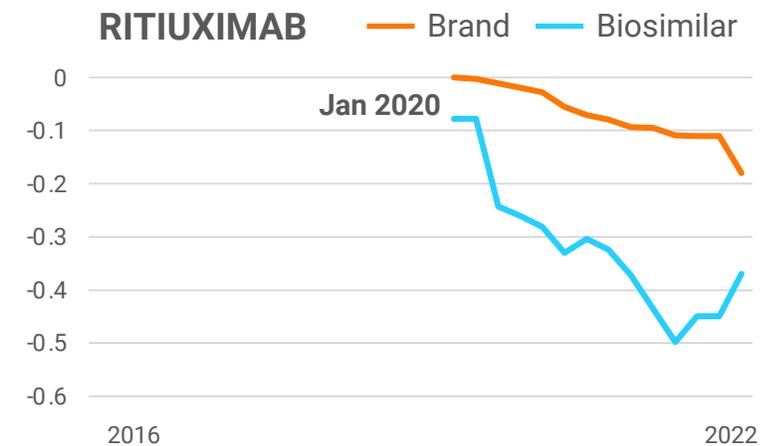
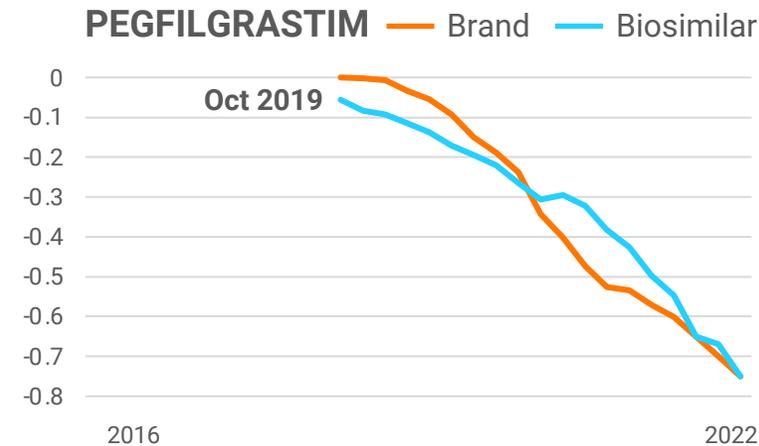
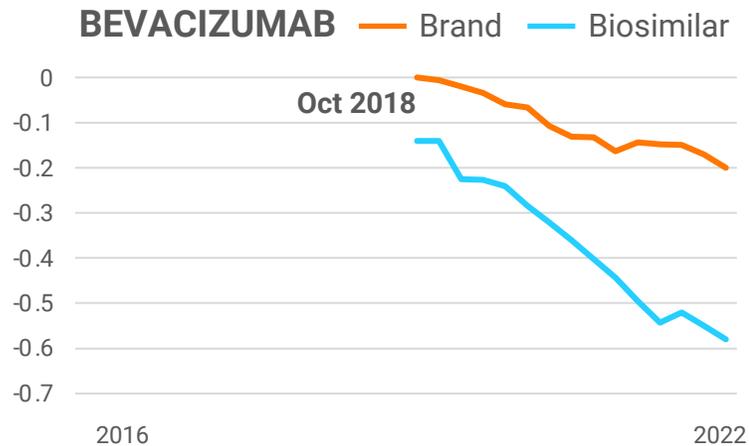
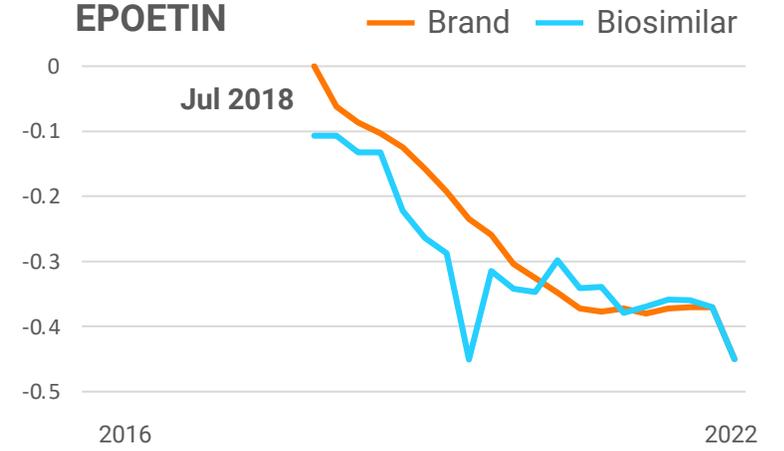
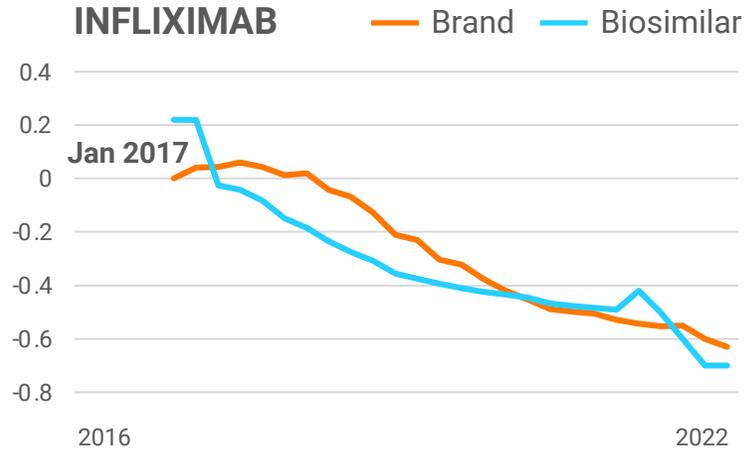
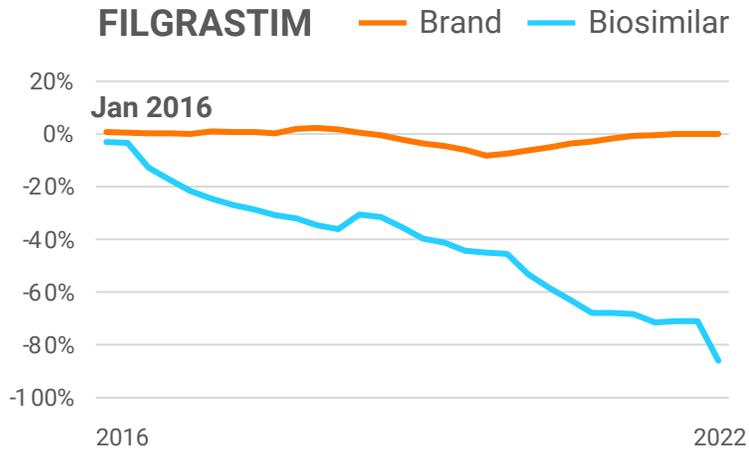
Biosimilar Market Share Remains Less Than 20%



Source: IQVIA. "The Use of Medicines in the U.S. 2023: USAGE AND SPENDING TRENDS AND OUTLOOK TO 2027" (April 2023). Accessible at: <https://www.iqvia.com/-/media/iqvia/pdfs/institute-reports/the-use-of-medicines-in-the-us-2023/the-use-of-medicines-in-the-us-2023.pdf>



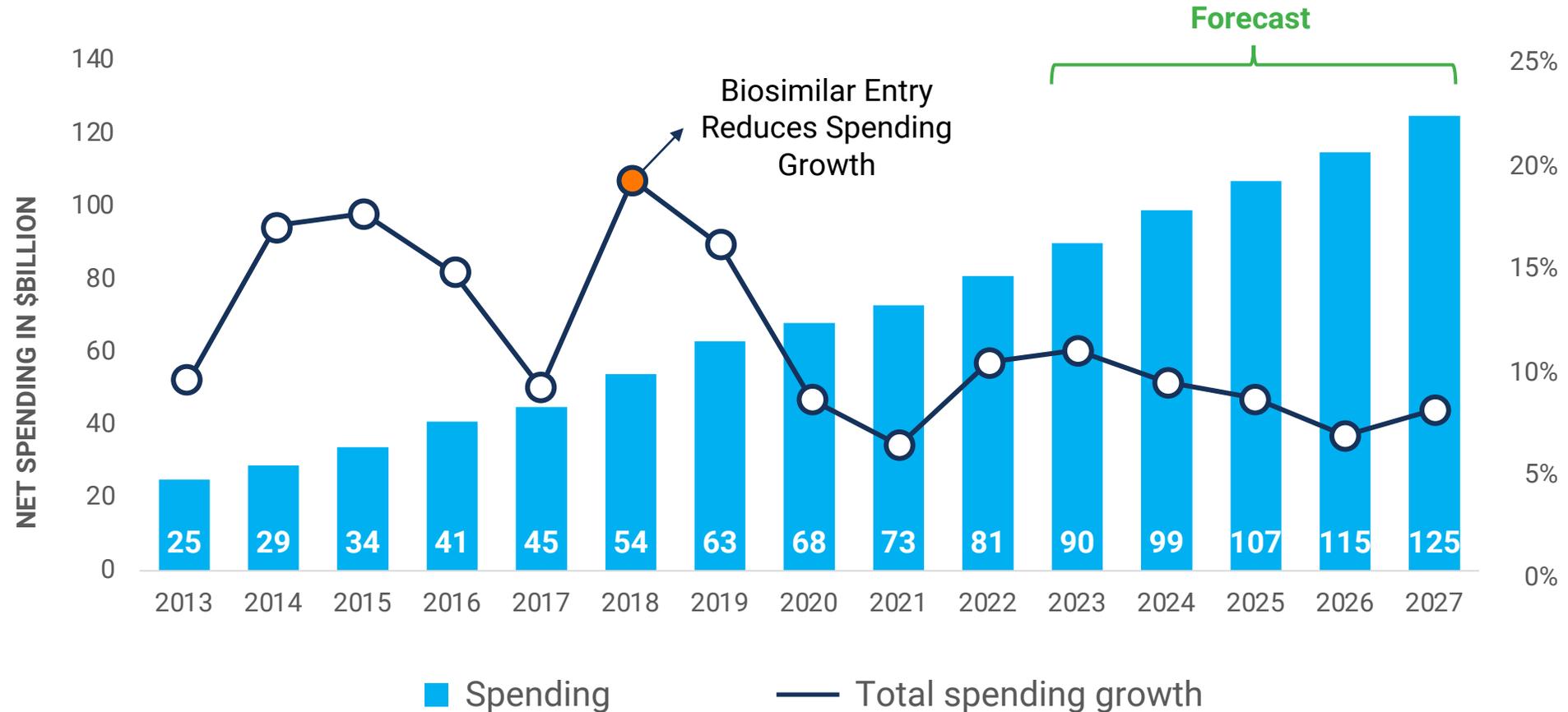
Biosimilars Consistently Drive Down Costs



Source: Centers for Medicare and Medicaid Services. Medicare Average Sales Price File (August 2022)
 Accessible at: <https://www.cms.gov/medicare/medicare-part-b-drug-average-sales-price/asp-pricing-files>.
 MedPAC. Report to Congress (June 2023) Accessible at: https://www.medpac.gov/wp-content/uploads/2023/06/Jun23_ExecutiveSummary_MedPAC_Report_To_Congress_SEC-1.pdf



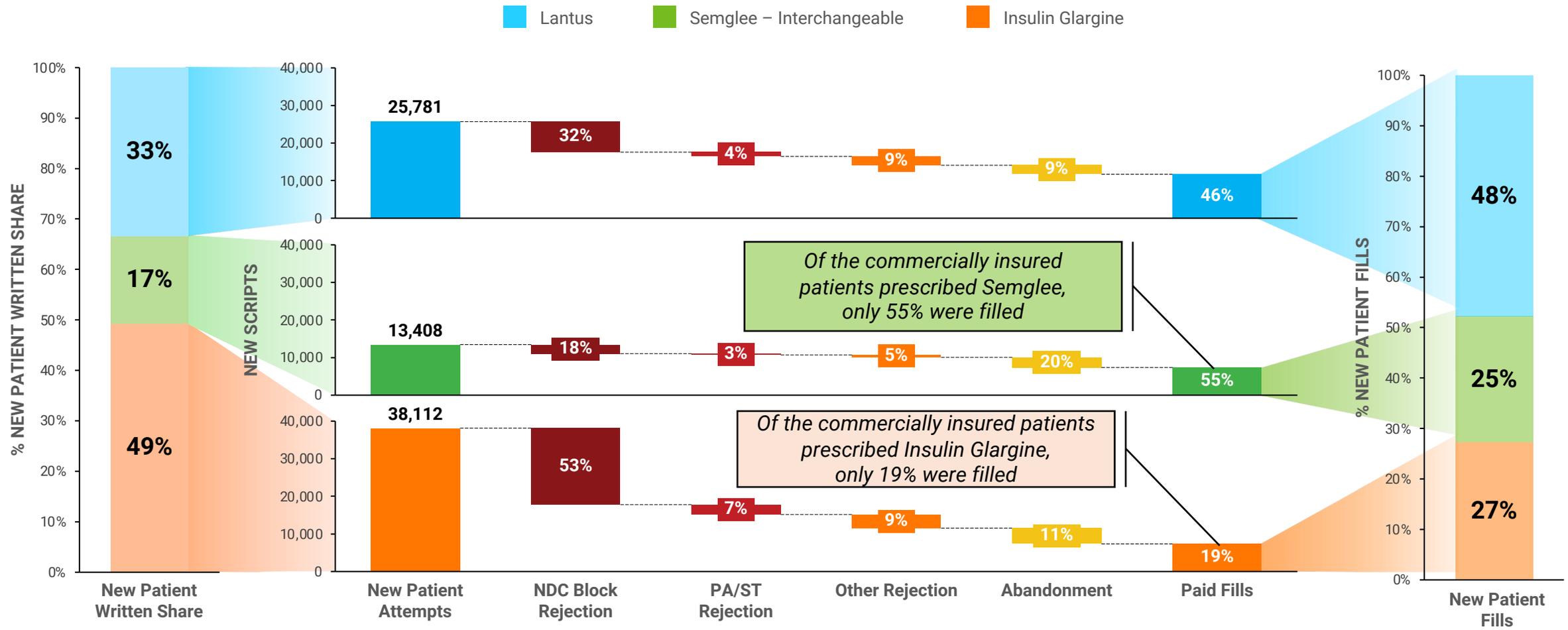
Biosimilars Are Reducing Spending on Autoimmune Therapy



Source: IQVIA. "The Use of Medicines in the U.S. 2023: USAGE AND SPENDING TRENDS AND OUTLOOK TO 2027" (April 2023). Accessible at: <https://www.iqvia.com/-/media/iqvia/pdfs/institute-reports/the-use-of-medicines-in-the-us-2023/the-use-of-medicines-in-the-us-2023.pdf>



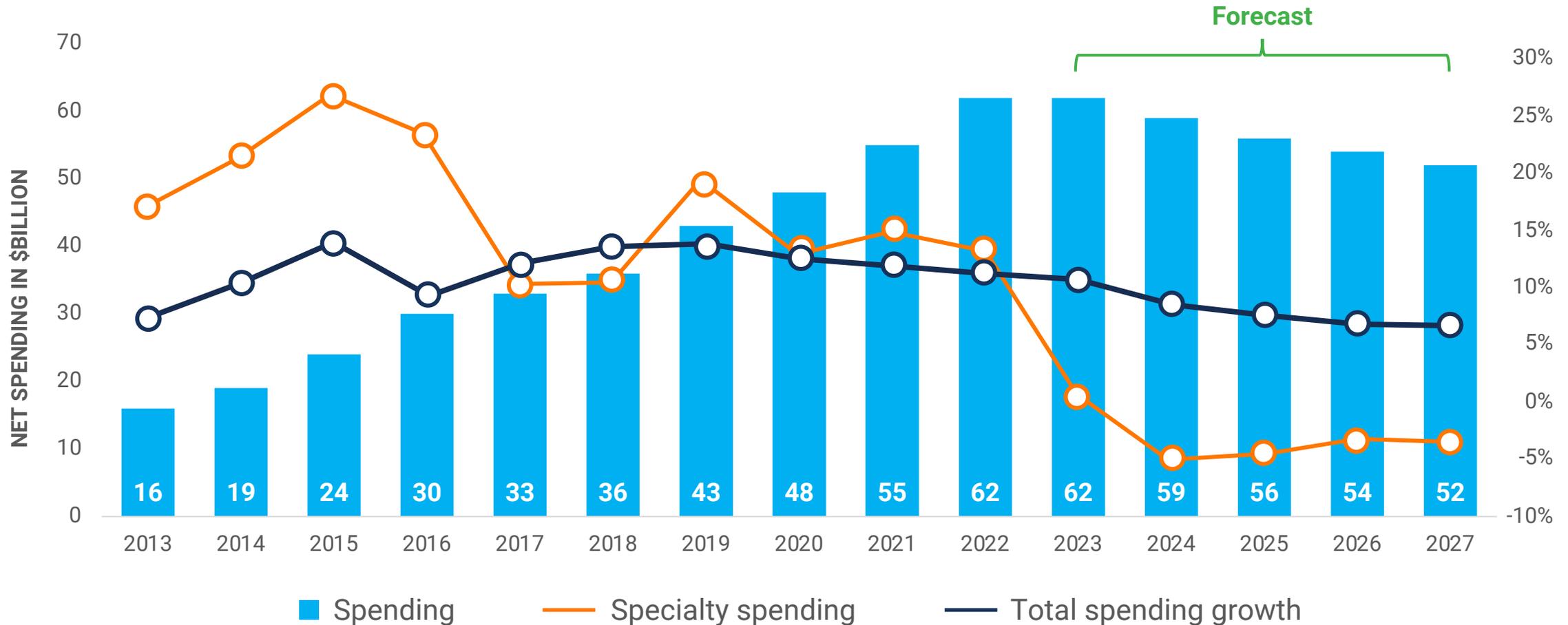
PBMs Blocked More Than Half of New Patient Prescriptions for Biosimilar Insulin



Source: IQVIA LAAD Dataset; IQVIA Market Access Strategy Consulting analysis.



Biosimilars Are Reducing Spending on Autoimmune Therapy



Source: IQVIA. "The Use of Medicines in the U.S. 2023: USAGE AND SPENDING TRENDS AND OUTLOOK TO 2027" (April 2023). Accessible at: <https://www.iqvia.com/-/media/iqvia/pdfs/institute-reports/the-use-of-medicines-in-the-us-2023/the-use-of-medicines-in-the-us-2023.pdf>

