Diabetes drug costs soaring, top $12B last year

By CARLA K. JOHNSON
The Associated Press
Tuesday, October 28, 2008; 7:22 AM

CHICAGO -- Americans with diabetes nearly doubled their spending on drugs for the disease in just six years, with the bill last year climbing to an eye-popping $12.5 billion.

Newer, more costly drugs are driving the increase, said researchers, despite a lack of strong evidence for the new drugs' greater benefits and safety. And there are more people being treated for diabetes.

The new study follows updated treatment advice for Type 2 diabetes, issued last week. In those recommendations, an expert panel told doctors to use older, cheaper drugs first.

And a second study, also out Monday, adds to evidence that metformin _ an inexpensive generic used reliably for decades _ may prevent deaths from heart disease while the newer, more expensive Avandia didn't show that benefit.

"We need to pay attention to this," said Dr. David Nathan, diabetes chief at Boston's Massachusetts General Hospital, who wrote an editorial but wasn't involved in the new studies. "If you can achieve the same glucose control at lower cost and lower side effects, that's what you want to do."

The studies, appearing in Monday's Archives of Internal Medicine, were both funded by federal grants.

In one, researchers from University of Chicago and Stanford University looked at which pills and insulin doctors prescribed and total medication costs. Diabetes drug spending rose from $6.7 billion in 2001 to $12.5 billion in 2007, a period when costs dropped for metformin.

More patients got multiple prescriptions as new classes of drugs came on the market. And more patients with diabetes were seeing doctors, increasing from 14 million patients in 2000 to 19 million in 2007.

"There's been a remarkable change in diabetes treatments and remarkable increases in the cost of treatments over the past several years," said study co-author Dr. Caleb Alexander, assistant professor of medicine at the University of Chicago. "We were surprised by the magnitude of the changes and the rapid increase in the cost of diabetes care."

Nearly 24 million Americans, 8 percent of the population, have Type 2 diabetes, which can lead to kidney failure, blindness and heart disease.

Current guidelines say doctors should prescribe metformin (about $30 a month) to lower blood sugar in newly diagnosed patients and urge them to eat healthy food and get more exercise. Other drugs can be added later, on top of metformin, to help patients who don't meet blood sugar goals. The updated guidelines don't include Avandia, which costs about $225 a month.

Dr. Susan Spratt, an endocrinologist at Duke University Medical Center, said she prescribes whatever it takes to lower her patients' future risk of blindness and amputations. That can mean coupling more costly drugs with metformin to hit blood sugar goals.

"I think cost-analysis is important from a public health standpoint," Spratt said. "But when you're sitting across from a patient, you want to use whatever is going to help them get control of their diabetes."

In the other study, Johns Hopkins University researchers analyzed findings from 40 published trials of diabetes pills that measured heart risks. Compared to other diabetes drugs or placebo, metformin was linked to a lower risk of death from heart problems.

The findings hint that Avandia has a possible increased risk for heart disease death, but that increase wasn't statistically significant, meaning it could have been the result of chance.

Few of the studies lasted longer than six months. The researchers cited a "critical need" for long-term studies of diabetes pills and heart risks.

Last year, the Food and Drug Administration issued a safety alert on Avandia, made by British-based GlaxoSmithKline PLC, after another pooled analysis of studies found a risk of heart attacks. And in July of this year, FDA advisers said the agency should require drugmakers to show new diabetes drugs don't increase heart risks.

GlaxoSmithKline spokeswoman Mary Anne Rhyne said FDA-approved labeling for Avandia says available data on the risk of heart attack are inconclusive. The medication, approved in 1999, has been used by well more than 7 million patients, she said.

<<1>>

And a second study, also out Monday, adds to evidence that metformin _ an inexpensive generic used reliably for decades _ may prevent deaths from heart disease while the newer, more expensive Avandia didn't show that benefit.

"We need to pay attention to this," said Dr. David Nathan, diabetes chief at Boston's Massachusetts General Hospital, who wrote an editorial but wasn't involved in the new studies. "If you can achieve the same glucose control at lower cost and lower side effects, that's what you want to do."

The studies, appearing in Monday's Archives of Internal Medicine, were both funded by federal grants.

In one, researchers from University of Chicago and Stanford University looked at which pills and insulin doctors prescribed and total medication costs. Diabetes drug spending rose from $6.7 billion in 2001 to $12.5 billion in 2007, a period when costs dropped for metformin.

More patients got multiple prescriptions as new classes of drugs came on the market. And more patients with diabetes were seeing doctors, increasing from 14 million patients in 2000 to 19 million in 2007.

"There's been a remarkable change in diabetes treatments and remarkable increases in the cost of treatments over the past several years," said study co-author Dr. Caleb Alexander, assistant professor of medicine at the University of Chicago. "We were surprised by the magnitude of the changes and the rapid increase in the cost of diabetes care."

<<2>>