

MAKERS TOOK BIG PRICE INCREASES ON WIDELY USED US DRUGS 'COMPANIES HAVE COMPLETE CONTROL OVER PRICING IN THE US'

NEW YORK: Major drug companies took hefty price increases in the US, in some cases more than doubling listed charges, for widely used medications over the past five years, a Reuters analysis of proprietary data found. Prices for four of the nation's top 10 drugs increased more than 100 percent since 2011, Reuters found. Six others went up more than 50 percent. Together, the price increases on drugs for arthritis, high cholesterol, asthma and other common problems added billions in costs for consumers, employers and government health programs.

Extraordinary price hikes by two small companies, Turing Pharmaceuticals and Valeant Pharmaceuticals International Inc., drew new attention to drug costs. Turing expected to book \$200 million by raising the price of Daraprim, an antiparasitic used for a rare infection, by 5,000 percent, according to company documents released by Congressional investigators. Routine price increases by bigger players may draw less attention, but they add up. Sales for the top 10 drugs went up 44 percent to \$54 billion in 2014, from 2011, even though prescriptions for the medications dropped 22

percent, according to IMS Health data.

At the top of the list was AbbVie Inc, which raised the price of arthritis drug Humira more than 126 percent, Reuters found. Next were Amgen Inc and Teva Pharmaceutical Industries Ltd, which raised prices for arthritis treatment Enbrel and multiple sclerosis drug Copaxone by 118 percent.

The increases help explain federal data showing overall spending on drugs rose faster than doctor visits and hospitalization over the past five years. Reuters based its analysis on the top 10 drugs, according to 2014 sales figures from IMS, and on proprietary pricing data provided by Truven Health Analytics. Reuters used commonly prescribed approved indications. Reuters shared its method and findings with the eight companies that sell the top 10 drugs; none disputed the findings. In general, drug companies said they set prices to recoup investments in failed drugs, support new research and development efforts, and pay for clinical trials to broaden the use of approved drugs. Also, they said, medications prevent costly hospitalizations.

Some of the companies noted that

Reuters' analysis of list prices failed to capture negotiated discounts and rebates - information they closely guard. In a few cases, companies offered a limited view into proprietary prices. Amgen, for instance, told Reuters that, after most discounts, the average sales price for a dose of Enbrel is at least \$200 less than list.

And, while Reuters found arthritis drug Remicade went up almost 63 percent, Johnson & Johnson spokeswoman Caroline Pavis said average selling price increases were closer to 5.4 percent per year. For GlaxoSmithKline Plc's Advair asthma drug, Reuters found a 67 percent increase. But spokeswoman Jenni Ligday said that, with discounts and rebates, prices actually fell during the period. Even after discounts, pharmacy benefit managers told Reuters they pay annual price increases on top medications of up to 10 percent. By comparison, the US consumer price index rose an average of 2 percent annually over the last five years. Dr Steve Miller, chief medical officer of top US pharmacy benefit manager Express Scripts Holding Corp, said the current level of drug price increases was "not sustainable."

New focus

Drug prices have been a hot topic on the presidential campaign trail and in Congress since Turing hiked Daraprim and Valeant imposed triple-digit price increases on two heart drugs.

Adding to the political pressure is the practice among employers and insurers of passing increases onto consumers. Patricia Calopietro, 70, said she once paid \$20 for a three-month supply of Nexium. AstraZeneca Plc raised the list price of the acid reflux drug nearly 50 percent over the past five years, and Calopietro's insurer pushed her out-of-pocket share up to \$250. She switched to a cheaper medicine but doesn't like how it works.

"How can I pay something like that? I'm 70 years old, and I'm on a fixed income," said Calopietro, a retired sales manager for the US Army & Air Force Exchange stores from Lorton, Virginia. Leading drugmakers say price hikes by Turing and Valeant are outliers. "Our industry invests on average 20 percent of our revenues into research and development. It's a fundamentally different business model," said Robert Zirkelbach, a spokesman for industry lobby Pharmaceutical Research

and Manufacturers of America, or PhRMA.

Sanofi SA, Teva, Amgen, J&J and AstraZeneca, which all have top 10 drugs, said they offer assistance to low income consumers. AstraZeneca spokeswoman Abigail Bozarth said the company sets prices based on market conditions, "a common practice across the industry." Memorial Sloan Kettering Cancer Center oncologist Peter Bach said patients would be better served if drug prices reflected value, instead of bargaining power. Pharmaceutical "companies have complete control over pricing in the US," he said. By Bach's estimate, increases last year on just one drug, Amgen's Enbrel, added up to \$1 billion to care costs. In a statement, Amgen spokeswoman Kristen Davis questioned Bach's estimate, saying it is impossible to infer revenue growth from list price increases because of other factors, including rebates and discounts.

Davis said Amgen prices reflect research and development costs of \$33 billion over a decade. Rebates and discounts bring the average sales price for a weekly dose of Enbrel to \$704.23, down from its list price of \$932.16, she said. —Reuters



PRAGUE: A cat being held by a customer at the cat cafe Kocic Kavarna. — AFP photos

CZECH CAT CAFE BOOM PAIRS SOOTHING STROKES WITH JAVA JOLTS



PRAGUE: A cat sitting on a bed at a cat cafe Kocic Kavarna.

PRAGUE: NOX sniffs curiously at a cup of creamy Vienna coffee and a plate of chocolate cake, then leaps off the table into the lap of a young woman, an afternoon visitor to Prague's oldest cat cafe. The jet-black cat is one of eight that Kockafe ("kocka" being Czech for "cat") has acquired from a Prague animal shelter to help its customers feel cosy and relaxed. "Cats radiate calm and purring is very pleasant, people simply like it," says Jana Parizkova, a 25-year-old tourist guide who opened the cafe in the Czech capital along with her mother and sister.

"Cats bring people together - guests who don't know each other have something to talk about, which is great," she tells AFP, surrounded by cats leaping on the bar or resting by the window. Already popular in Japan, Taiwan, and other parts of Asia and Europe, cat cafes are booming across the Czech Republic, with a dozen having popped up since the summer of 2014. "My wife and I opened the cafe a year ago. We had seven cats at home and now we have nine here," says 45-year-old Ivan Herak, a former manager, who runs one of the four cat cafes in tourist-magnet Prague. Unlike Parizkova, Herak relies on British marbled cats, which he breeds himself.

"I need cats that like being caressed, that aren't afraid of people, while cats from a shelter are often easily frightened," Herak says, stroking a big tomcat with a bell on his collar and calling him "Darling." At the

Kockafe, Parizkova has taken several stray cats off the street, including a kitten she found outside her cafe on the day it opened, and allows guests to adopt its felines. "A cafe isn't an ideal place for a cat - that's why we have cats from a shelter, their experience is so terrible that they find the cafe OK," she says with a smile.

But she admits it is difficult to find cats suitable for cafe life. The felines must be "completely relaxed and composed in order to handle the bustle here." Among the Kockafe's customers, Karolina Brabcova has taken a kitten home, while her friend Lucie Kubrova, a student, already has a cat but still frequents the cafe to soak up its unique atmosphere. "Cats make it far more pleasant - you don't just gulp down your cup of coffee and leave; instead, you sit, play with the cats and spend more time here," Kubrova says over a plateful of pizza, graciously ignored by Nox and his peers.

Herak says about 80 percent of the people who come to his cafe already have cats of their own at home.

"They are cat lovers, they know the cats will be on the table and curious about their plates, so to speak, but they don't mind." But he adds some clients find the idea of pairing coffee and cats unappealing. "When we opened the cafe, a lady in her sixties came over and asked if we really sold meals made from cat meat. That, you've got to admit, was shocking." — AFP

HISTORIC DENGUE VACCINE PROGRAM LAUNCHED IN PHILIPPINES

MANILA: The world's first public dengue vaccination program was launched in the Philippines yesterday as nurses began injecting the first batch of a million children with a French drug to combat the sometimes deadly disease. Several hundred children aged 9-10 queued in front of government health workers at a public school in eastern Manila for the injections, capping a 20-year, 1.5-billion-euro (\$1.8 bn) effort by French drug manufacturer Sanofi to develop the vaccine. "We are the first country to introduce, adopt and implement the first-ever dengue vaccine through the public health system and under public school settings," said Philippine Health Secretary Janette Garin.

The Philippines had in December approved the vaccine, the first to be licensed globally to combat the mosquito-borne disease for people aged between nine and 45. Zelin Joice Carunay, aged nine, cried briefly as she and her classmates fell in line for the vaccine on teacher's orders. "I'm terrified of needles but they told us we need it to avoid dengue," the girl told reporters. "In the end it felt nothing more than an ant's bite," the relieved child said afterwards.

Dengue or haemorrhagic fever, the world's most common mosquito-borne virus, infects an estimated 390 million people in more than 120 countries each year, killing more than 25,000, according to the World Health Organization. Symptoms are often mild but more than two million people annually develop more serious symptoms-which can involve severe headaches, pain behind the eyes, a rash, pain in the joints, muscles or bones and leaking blood vessels.

Asia is home to some 70 percent of cases worldwide. In the Philippines 200,000 cases were



MANILA: A nurse shows vials of the anti-dengue vaccine at Parang Elementary School in Marikina.

reported in 2013, according to Sanofi. The company said the vaccine should prevent eight out of 10 dengue hospitalizations and up to 93 percent of severe haemorrhagic dengue fever cases. "This initiative sends a strong message to the rest of the world that dengue vaccination is a critical addition to integrated disease prevention efforts," Sanofi said in a statement. Sanofi's two-decade effort to develop the vaccine included 25 clinical studies in

15 countries. This saw 29,000 volunteers receive a vaccine that, aside from the Philippines, has also been registered in Mexico, Brazil and El Salvador, according to Sanofi. Of 17,000 people who were injected with the vaccine in the Philippines in February as part of the clinical study, just 27 developed side effects, proving it was an effective vaccine, Health Undersecretary Vicente Belizario told reporters. — AFP



YIACO MEDICAL COMPANY INTRODUCES NEW RETAIL PHARMACEUTICAL CONCEPT

KUWAIT: In line with YIACO Medical Company's new strategic direction, the healthcare leader recently inaugurated its latest new scale model pharmacy featuring a brand new look and expanded pharmacy care services with an aim to enhance the retail experience of its customers.

The newly opened YIACO pharmacy is located in Arabia Mall in the Eqaila district. "We are thrilled to have this opportunity to introduce our integrated pharmacy services and healthcare expertise to our customers across Kuwait" commented Dr Bader Alzaid Al-Taraji, CEO of YIACO Medical Company.

"The way our customers engage with

YIACO continues to evolve and as part of our strategic plan, we continue to listen and respond to their needs.

Our efforts to innovate our pharmacy care services by going beyond the traditional pharmacy experience offer our customers with expanded wellness options and increased access to healthcare" commented Dr. Mohammed Barham, COO of YIACO Medical Company.

Dr Mahdi Mashharawi, Retail Pharmacies Manager, explained that the new YIACO pharmacy also includes a wellness and education corner that will also allow customers to seek advice and receive more education-

al insight from highly qualified pharmacists. Designed by an award winning international design agency, the new look adopts new design shelving and retail displays which ensures a seamless and easy to navigate flow cycle for customers encouraging visits which promote precaution and wellness in a much warmer and friendly environment. Over the past 60 years, YIACO Medical Co. has grown to be one of the largest healthcare networks in Kuwait, and caters both medical products & services to the private and public sectors. One of YIACO's greatest milestones since 1953 is having one of the largest pharmacy chain in Kuwait.



TESTOSTERONE MAY LOWER HEART ATTACK RISK IN OLDER MEN

MIAMI: Older men with clogged arteries who took testosterone therapy seemed to have a lower risk of heart attacks than men who did not take the hormone, a study suggested Sunday. Testosterone is currently considered risky to take, and the US Food and Drug Administration mandated last year that manufacturers of all approved testosterone products add labels to describe these dangers, which include heart attack and stroke.

The methods of the study were observational-one of the weakest kinds of scientific research-but its authors said the results should lead to more rigorous trials on the hormone therapy in the future. The study by Intermountain Medical Center Heart Institute in Salt Lake City included 755 men, aged 58 to 78, with severe coronary artery disease and low testosterone. Those who did not take testosterone as part of their follow up were 80 percent more likely to suffer a heart attack, stroke, or death from a cardiovascular event in the next three

years. After a year, 64 patients who were not taking testosterone supplements suffered major adverse cardiovascular events, compared to 21 taking testosterone.

After three years, 125 patients not on testosterone therapy patients suffered major adverse cardiovascular events, compared to 60 patients receiving the hormone. The findings were presented at the American College of Cardiology conference in Chicago.

"Although this study indicates that hypo-androgenic men with coronary artery disease might actually be protected by testosterone replacement, this is an observational study that doesn't provide enough evidence to justify changing treatment recommendations," said cardiologist Brent Muhlestein, co-director of cardiovascular research at the Intermountain Medical Center Heart Institute. "It does, however, substantiate the need for a randomized clinical trial that can confirm or refute the results of this study." — AFP