

# TOO LITTLE, TOO LATE?

## When will SPECIALTY DRUGS BE AFFORDABLE?



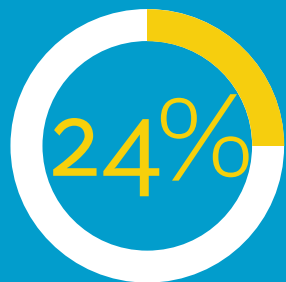
Generic price competition typically lowers cost of prescription drugs, but uncertainty mounting re: effect on **specialty drugs**



Pricing of cancer drug **imatinib** (brand name **Gleevec**) demonstrates effect of generic entry on specialty drugs



Imatinib: one of most effective cancer treatments ever developed for **chronic myeloid leukemia (CML)**



of imatinib prescriptions were for 'dispense as written' Gleevec since 2016, suggesting reluctance to switch to generics

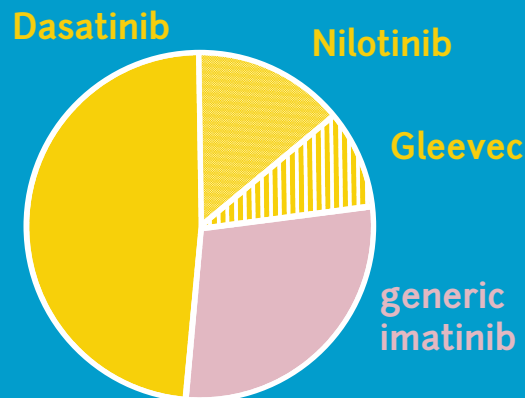
The value of generic competition is limited if generic product prices are high and uptake is low



The price of Gleevec rose from \$3,881 in 2001 to \$9,825 in 2015



Since generic imatinib entered the market in 2016, price reductions have been small.



>70% of patients with CML started on branded drugs in 2017



Only 3 manufacturers entered imatinib market in first 20 months after generic introduction, less than half the average