

CHAMPION NEWSLETTER

From the WHI Care Management Department

The Walgreens Health Initiatives Care Management Champion Newsletter is provided as a value-added service to human resources, benefits, and pharmacy professionals. The content is designed to promote awareness and to educate patients about important health issues. Our clients may reproduce this publication for educational purposes.

Generic Medications

So what's the big difference between name brand and generic medications?

Walgreens Health Initiatives, Inc., your prescription benefits manager, wants you to find out! Below are some typical questions concerning generic medications.

Question 1: What does *generic* mean?

Answer: By definition, generic actually means "common name." Did you know that *every drug* has a chemical name, often referred to as the generic name? When a new drug is developed, the manufacturer assigns this generic name. It is only useful for marketing strategies that a brand name is assigned to a medication.

Question 2: Why are brand-name medications so expensive?

Answer: There is a lot of work involved in creating and marketing a new medication. For example, if you owned a company that would like to create a medication to cure the common cold, you would need a lot of scientists to work in laboratories mixing the chemicals needed to "fight" the cold. Chemists are needed to ensure the medication can be made into a tablet. A team is needed to determine how the tablet may look and taste. How about a catchy name? A marketing group may be responsible for determining a brand name that will be easy to say and remember. Various phases of testing, called clinical trials, need to be done to ensure the medication is safe and effective for use in people. Salespeople may need to travel to physician offices and tell them about the new medication. Advertisements are needed to let the health professionals and/or public know about the new creation. All of this requires a lot of money. Manufacturers need to cover the expenses of creating this new medication, so they often price their finished product quite high.

However, every medication is subject to a limited *patent life*. This means that if a company creates a new medication, it has legal rights to all its initial profits. A patent life is seven years long. The patent allows the company to make enough money to offset the costs of creating it. After seven years, other drug companies can make the *generic equivalent* but do not need to do all the initial work. This allows their medications to be less expensive!



Question 3: Will generic medications work as well as brand-name medications?

Answer: Yes, it's a law! Generic medications must be bioequivalent, or identical, to their brand-name counterparts to gain FDA (United States Food and Drug Administration) approval. Proving bioequivalence ensures a generic product is identical to the brand name in all the following aspects:

- ◆ Active ingredients
- ◆ Strength
- ◆ Dosage
- ◆ Dosage form (tablet, liquid, capsule)
- ◆ Route of administration (orally or by injection)
- ◆ Absorption (medical effect on the body)

If any of the above is not equal to the brand-name product, the FDA will not approve it as the generic.

Question 4: Are generic medications as *safe* as brand-name medications?

Answer: Yes, the FDA requires that medications be safe and effective. Since generic medications use the exact same active ingredients as the brand-name product, they are just as safe.

Question 5: Where are generic medications made?

Answer: The FDA does not allow any medication to be manufactured in substandard or poor conditions.

The FDA officials inspect more than 5,000 manufacturing plants a year to ensure that quality is maintained.

70-80 percent of brand-name facilities make generic medications inside their institution. They may even make duplicate versions of their own brand-name product.

Question 6: Will there be more side effects with a generic medication?

Answer: The FDA actually keeps a record of adverse drug reactions caused by medication. Researchers at the FDA have studied these reports and have found *no difference* in the amounts of adverse drug reactions between generic and brand-name medications.

Question 7: Is it common to fill prescriptions with generic medications?

Answer: More than 1/3 of all prescriptions in the United States are filled with generic medications and this is increasing every year! As more brand-name medications go off patent, more generic products become available. Ask your physician or pharmacist if your medications have generic versions available.

Question 8: There *MUST* be some difference between generic and brand-name products. What is it?

Answer: There actually is one main difference - the PRICE! Don't forget that once a drug loses its patent, and a generic manufacturer receives approval from the FDA, a generic equivalent can be made by more than one company. With more than one company making a medication, price competition occurs. Since laboratories do not have to build research and marketing costs into their prices, generic medications are sold for a lot less. *You are the ultimate saver!*

Question 9: How do generic medications affect me if I have prescription insurance?

Answer: Through your employer's prescription plan with Walgreen's Health Initiatives, Inc. you will see a direct decrease in your copay when you get your prescription filled. Indirectly, you may prevent the rise of your plan's healthcare costs! Because

healthcare costs are currently rising, the amount of money available in your company's health plan to provide you and your family good medical benefits may be decreasing.

Question 10: Can I actually make a difference?

Answer: You can help offset these rising costs by asking for generic medications. Because generic prices can be 15-50 percent less than the brand-name equivalent, you can help keep your insurance premiums low and health benefits high by asking your physician and pharmacist to give you the generic equivalent. The Federal Trade Commission has estimated that consumers can save more than **100 million dollars** per year by using generics!

Common Examples of Generic Medications

Use	Brand Name	Generic Equivalent
Ulcer	Zantac	Ranitidine
Ulcer	Tagamet	Cimetidine
Antibiotic	Amoxil	Amoxicillin
Arthritis	Naprosyn	Naproxen
Arthritis	Motrin	Ibuprofen
Diabetes	Micronase	Glyburide
Asthma	Proventil	Albuterol

SUMMARY

Since 1970, the FDA has approved around 9,000 generic medications as being equivalent to brand-name medications. Walgreens Health Initiatives, Inc. is determined to provide you with optimum prescription care needs and keep your healthcare costs to a minimum. It is our goal to provide the highest quality pharmacy care to our clients and their beneficiaries. This includes convenient service, availability, and quality medication and prescription savings. **Remember, when you ask for a generic, you can make a difference!**

For More Information on generic medication availability, contact the following internet site: <http://www.fda.gov/cder/ob/default.html>

