

Editorial: It's cheaper to fly to India than treat Hep C in NM

By Albuquerque Journal Editorial Board

Sunday, November 13th, 2016 at 12:02am

New Mexicans spent \$36.5 million last year treating a fraction of the state's Medicaid hepatitis C patients, and a good portion of that was for a prescription medication that cures the liver-wasting disease. State taxpayers are on pace to make that price tag look like a deal this year, spending \$17 million in the first quarter alone to treat just 301 patients.

When a 12-week course of the drug Harvoni, made by California drugmaker Gilead Sciences, costs \$93,000, it's easy to see how the bill gets that high that quickly. What's hard to see is why the exact same 12-week treatment, made by Natco Pharma in India – with Gilead's blessing – costs just \$900.

And why states like New Mexico would have to continue to overspend scarce public dollars to treat a fraction of their Hep C population, in effect rationing care to just the sickest, when with a more reasonable price they should be able to treat all of it.

The latest Hep C treatment plan from the New Mexico Department of Human Services is to treat 1,750 patients a year through 2020 and all Medicaid patients with hepatitis C within a decade.

Considering it costs less than \$5,000 to fly from Albuquerque to New Delhi and back, it would be more cost effective for New Mexico to start taking each of its estimated 45,000 Hep C patients to see the Taj Mahal and get them a 12-week supply of Indian-made generic Harvoni (aka Hepcinat LP).

Under that medical tourism scheme, state taxpayers could treat 15.5 patients for the cost of one here.

In January, three University of New Mexico professors of medicine authored an op-ed in the Journal that recommended “legislative changes to set drug prices at a cost that would allow for the affordable treatment of all persons in the United States with chronic HCV infection this year.” Dr. Kimberly Ann Page, Dr. Karla Thornton and Dr. David R. Scrase pointed out “over 100,000 people in Egypt received treatment last year. Were the cost of treatment the same in New Mexico as Egypt, no one would be raising questions regarding the rationing of treatment.”

Just as the exorbitant price increases of toxoplasmosis/malaria drug Daraprim (\$13.50 per pill to \$750 per pill) and allergic reaction treatment EpiPen (\$100 for two to \$600 for two) have drawn criticism, so has the cost of Harvoni. The U.S. Senate Committee on Finance found after an 18-month investigation that Gilead Sciences set its Harvoni price with a goal of maximizing revenue as opposed to treating as many patients with hepatitis C virus infection as possible, and when confronted, refused to lower it.

U.S. Sen. and Finance Committee member Ron Wyden, D-Ore., says “despite spending more than \$1 billion on hepatitis C drugs (in 2015), state Medicaid programs nationwide treated less than 2.4 percent of the patients who are known to have the disease.” He gives the examples of state programs in Oklahoma spending around \$18 million in 2014 to treat 220 people with HCV and Indiana spending more than \$40 million to treat 462 people.

That math is simply not sustainable for states or the nation, and it is unconscionable to let patients go untreated, getting sicker and sicker, when a much cheaper version of the drug is available.

Yes, Abbvie's version, Viekira Pak, is \$83K for 12 weeks and Merck's version, Zepatier, was approved this year and costs \$54,600 for a 12-week regimen, but that is still nowhere close to \$900 for Hepcinat LP, even with a plane ticket to New Delhi thrown in.

So while it is important that the state is trying to identify all residents with hepatitis C (baby boomers are the biggest demographic) and reduce the disease's spread through education and needle-exchange programs, there are tens of thousands of infected patients. The real key to reducing the fiscal and human costs of Hep C is cutting the costs of the drug treatment.

This editorial first appeared in the Albuquerque Journal. It was written by members of the editorial board and is unsigned as it represents the opinion of the newspaper rather than the writers.