Donald Trump and the Pharmaceutical Giants

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LIB GRoup look into Donald Trump and the Pharmaceutical Giants

LONDON, UNITED KINGDOM, May 28, 2019 /EINPresswire.com/ -- The pharmaceutical industry is booming; however, the prices are at an all-time high. The root cause of the consistently increasing prices are the rebates – also known as the after-the-fact discounts. Rebates are secret deals that are settled between pharmaceutical companies and pharmacy managers and the intermediaries.

Rebate is highly criticised for hiking the prices of the drugs that results in additional cost pressure on the purchasers. The purchasers have to bear the cost of the 'secret deals', this can be a significant risk for controlling major diseases like HIV because preventative drugs like Truvida (a drug that can potentially wipe out HIV if consumed by those patients that have a high risk of contracting the disease) costs about $2000 per month, whereas in the UK it costs £45 ($58). The ridiculously ever-increasing drug prices constitute a significant risk that could deprive people of access to essential drugs and can potentially put people at a high health risk.

Although Donald Trump has administered the USA for more than two years now, the all-time high drug prices are still a significant issue that is profoundly impacting the people living in the USA. The 'international pricing index' was introduced during the last quarter of 2018, which was an attempt to decrease Medicare spending by 30%. According to this rule, the pharmacy benefit manager would lose the right and protection that gave them the leverage of accepting rebates from pharmaceutical companies for brand-name drugs that are covered under the Medicare and Medicaid government programmes. The patients will benefit from this plan because any discounts or rebates would have to be credited at the pharmacy counter if the patient fills a prescription.

This plan is said to result in a significant saving, especially for senior citizens (65 years or older) because they end up paying a substantial additional amount of money to purchase the ever-increasing list prices of drugs. The rule will be highly beneficial for patients, and more patients will get access to prescription drugs.

This plan might have both positive and negative effects on pharmaceutical investment and the UK economy US economy in the longer run. However, even after the introduction of the laxed policy, the US President still has a ton of challenges to face to control the ever-increasing drug prices. So, it would not be wrong to say that US administration has a long way to go before they could find solutions to break the pharmaceutical companies' and pharmacy benefit manages & intermediaries politics, make Medicaid and Medicare drugs more affordable for people, and bring prices anywhere near to the UK drug prices.

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