

Drugs bill warning over US/UK trade deal

September 11 2020



Credit: CC0 Public Domain

The NHS would spend billions of pounds more on drugs if it had to pay US prices following a US/UK trade deal. According to a new study by researchers at Brigham and Women's Hospital in Boston, Harvard Medical School, and the University of Oxford, published by the *Journal of the Royal Society of Medicine*, NHS England would have spent over £5 billion more on 50 brand-name prescription drugs widely used in

primary care if it had paid US prices in 2018. Drugs on the list included a variety of commonly used medicines, including treatments for diabetes, inhalers and anticoagulants.

Prescription drug prices in the US far exceed prices in the UK, where there are price controls in place to limit NHS spending and restrict the profits that drug manufacturers can earn. The analysis shows that if NHS England had paid US prices for the 50 costliest drugs used in [primary care](#) in 2018 it would have spent 4.6 times as much, an increase from £1.39 billion to £6.42 billion.

It is currently unclear whether prescription drug prices will be included in any [trade](#) deal between the US and UK following Brexit. The UK government has previously stated that the NHS would not be part of a trade deal with the US, but a recent summary of negotiating objectives stated that the US Trade Representative is pursuing 'full market access' for US pharmaceuticals in the UK.

Lead researcher Michael Liu said: "The UK is working towards a range of external trade deals, which is great news. Our paper sounds a note of caution around the NHS medication spend: if drug prices were to be included in a US/UK trade deal, and current cost-containment mechanisms were compromised, this could result in [drug prices](#) more similar to those of the US."

"Because the scale of this difference in pricing is so substantial, we have modelled the possible excess costs, applying current US price data to current UK medicines usage data. We hope this provides helpful context for those evaluating different trade options."

More information: Michael Liu et al, Projected spending for brand-name drugs in English primary care given US prices: a cross-sectional study, *Journal of the Royal Society of Medicine* (2020). [DOI:](#)

[10.1177/0141076820918238](https://doi.org/10.1177/0141076820918238)

Provided by SAGE Publications

Citation: Drugs bill warning over US/UK trade deal (2020, September 11) retrieved 15 July 2023 from <https://medicalxpress.com/news/2020-09-drugs-bill-usuk.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.