



the campaign for **SUSTAINABLE Rx PRICING**

DOSE OF REALITY: BIOSIMILAR COMPETITION GENERATES SIGNIFICANT SAVINGS FOR PATIENTS AND THE U.S. HEALTH CARE SYSTEM

Reports Find Biosimilars Have Lower Prices Than Brand Name Biologics, Result in Lower OOP Costs for Patients and Produce Billions of Dollars in Savings

Several bipartisan, market-based solutions that would help foster greater competition in the prescription drug marketplace, including from biosimilars, are scheduled for [markup](#) tomorrow before the U.S. Senate Committee on Health, Education, Labor and Pensions (HELP). Among the solutions the Committee will consider are the Biosimilar Red Tape Elimination Act ([S. 1954](#)), the Medication Affordability and Patent Integrity Act ([S. 2658](#)) and the Ensuring Timely Access to Generics Act ([S. 3014](#)). These measures would expedite biosimilar substitution, strengthen coordination between government agencies with oversight of the patent approval and review process and improve oversight of the citizen petition process at the U.S. Food & Drug Administration (FDA) – all important measures to crack down on Big Pharma’s anti-competitive practices that keep drug prices high.

Big Pharma’s anti-competitive behavior, including abuse of the U.S. patent system, enables brand name drug companies to extend monopolies over their biggest money-makers and is a root cause of high prescription drug prices because it enables Big Pharma to repeatedly hike prices on existing drugs, set out-of-control launch prices on new medications, and [block competition from more affordable alternatives](#), like generics and biosimilars.

While generics and biosimilars are both alternatives to high-priced brand name drugs, biosimilars are alternatives for more complex biologic drugs and are not exact copies of branded drugs, like generics. As more biologics enter the prescription drug market, greater biosimilar competition is especially critical to bringing down costs for patients, taxpayers and the U.S. health care system.

Get a dose of reality on how generic and biosimilar competition reduce prescription drug costs and generate savings:

OUT OF POCKET COSTS FOR BIOSIMILARS ARE 23 PERCENT LOWER THAN REFERENCE BIOLOGICS

A March 2024 [study](#) published in JAMA Network compared out-of-pocket spending between seven biologics and their biosimilar alternatives. The study found that in the commercial market, average patient out-of-pocket costs for the biosimilars were 23 percent lower compared to their reference biologic, or around \$200 less, on average. According to the study, “the mean [out-of-pocket] costs were lower for biosimilars (\$707) than reference biologics (\$911).”

BIOSIMILAR LIST PRICES ARE 15 TO 35 PERCENT LOWER THAN BRANDED BIOLOGICS

According to a July 2021 FDA press release announcing approval of the first interchangeable biosimilar insulin product for diabetes, biosimilar drugs launched in the U.S. typically have “initial list prices [15% to 35%](#) lower than comparative list prices of the reference products.”

BIOLOGIC PATENT ABUSE TO COST AMERICANS ADDITIONAL \$25 BILLION BY END OF DECADE

A September 2020 [study](#) by researchers at the Foundation for Research on Equal Opportunity (FREOPP) found Big Pharma’s anti-competitive practices in the U.S. biologic market has cost patients \$5 billion in lost savings, and will cost U.S. patients an additional \$25 billion by 2029 without reform.

PROJECTED SAVINGS OF GREATER BIOSIMILAR COMPETITION BETWEEN 2021 AND 2025: \$38.4 BILLION

A July 2022 [paper](#) in the American Journal of Managed Care (AJMC) found that estimated savings from increased biosimilar competition and uptake could result in savings of \$38.4 billion for the U.S. health care system from 2021 to 2025. According to the paper's [authors](#), most of the expected savings will be driven, "by downward pressure on the brand-name biologics they compete with."

GENERIC AND BIOSIMILAR SAVINGS IN 2023: \$445 BILLION

A September 2024 [report](#) from The Association for Accessible Medicines (AAM) found that generics and biosimilars together led to savings of \$445 billion for patients and the U.S. healthcare system in 2023 – a nine percent year-over-year increase. The report also notes biosimilars and generics created \$3.1 trillion in savings over the last decade. A September 2023 [report](#) from AAM found that generics and biosimilars together led to savings of \$408 billion in the U.S. health care market in 2022.

GENERIC AND BIOSIMILARS MAKE UP 90 PERCENT OF ALL PRESCRIPTIONS BUT LESS THAN 18 PERCENT OF SPENDING

The same September 2023 [report](#) from AAM found that despite making up more than 90 percent of all prescriptions in the U.S. market, generic and biosimilar drugs accounted for less than 18 percent of spending on all prescriptions.

AMERICAN VOTERS BROADLY SUPPORT IMPROVING COMPETITION AND ACCESS TO BIOSIMILARS

A February 2025 national [poll](#) of U.S. voters, conducted By Fabrizio Ward on behalf of the Campaign for Sustainable Rx Pricing (CSRxP), found 82 percent of voters support "reform[ing] patent laws to prevent drug companies from abusing the system that extends their monopolies longer than intended and halts lower cost generic drugs and biosimilars from the market."

WHAT THEY ARE SAYING: BIPARTISAN SUPPORT FOR MARKET-BASED SOLUTIONS TO LOWER DRUG PRICES BY INCREASING COMPETITION FROM MORE AFFORDABLE ALTERNATIVES

The Biosimilar Red Tape Elimination Act (S. 1954)

U.S. Senator Mike Lee (R-UT): "Americans are missing out on lower drug prices thanks to bureaucratic red tape that protects big pharma monopolies. Many consumers would choose a cheaper generic-brand version of their medications, but technicalities from Congress have kept these out of reach. Our legislation will cut the red tape to bring drug prices down, break up the big pharma monopolies, and let Americans make their own medication choices."

U.S. Senator Ben Ray Lujan (D-NM): "Limited competition drives up drug prices, making it harder for people to afford the medications they need to survive. Expanding access to biosimilar drugs can improve patients' lives and reduce costs. But too often, access can be limited due to regulatory red tape that scientists agree is not necessary. This bipartisan bill will help simplify that process while maintaining rigorous safety and effectiveness standards. By increasing competition, this legislation will allow more patients and families to access the treatments they need."

The Medication Affordability and Patent Integrity Act (S. 2658)

U.S. Senator Maggie Hassan (D-NH): "For too long, Big Pharma has been abusing the patent process to block generic competition and keep prices for patients artificially high. Granite Staters deserve better than a system that allows Big Pharma to exploit our patent system at the expense of families struggling to afford their medications. This bipartisan bill would help close a key loophole and bring down prescription drug costs for families across New Hampshire and the country."

U.S. Senator Josh Hawley (R-MO): “Big Pharma companies have been driving up their profits by gatekeeping select drug information and exploiting our bloated bureaucracy. But their habit of gaming the U.S. patent system means delaying Americans’ access to affordable medications. This bipartisan legislation would require manufacturers to disclose critical drug information across agencies, so Congress can finally begin to upend Big Pharma’s anticompetitive practices.”

The Ensuring Timely Access to Generics Act (S. 3014)

U.S. Senator Jeanne Shaheen (D-NH): “Addressing the soaring price of prescription drugs is a tangible way that Congress can help lower health care costs and give families some breathing room in their budgets. By increasing competition, our bipartisan legislation would help bring more generic drugs to the market and reduce costs for the Granite State families who rely on them.”

U.S. Senator Susan Collins (R-ME): “We know that increasing generic drug competition is key to lowering prescription drug prices for individuals and reducing drug spending overall. On average, generic drugs cost 80 to 85 percent less than their brand-name equivalents. This bipartisan bill would help address barriers that currently delay market entry for generic drugs, improving competition and saving patients money.”

Read more on these bipartisan, market-based solutions [HERE](#).

Read more on how Big Pharma blocks competition from generics and biosimilars utilizing patent abuse [HERE](#).

Read more on bipartisan, market-based solutions to hold Big Pharma accountable [HERE](#).

About CSRxP: The [Campaign for Sustainable Rx Pricing](#) is a broad-based coalition of physicians, nurses, hospitals, consumers, health plans, pharmacy benefit managers, pharmacists and businesses promoting bipartisan, market-based solutions to lower drug prices. Learn more: www.csrxp.org

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