

Rivastigmine prices drift slowly downwards

Not every launch of a relatively significant generic in the UK is followed by a dramatic fall in the product's prices. For every atorvastatin – whose average trade price fell by 90% within a month of launch – there is a rivastigmine. Although more than 18 months have passed since the Alzheimer's disease drug was introduced, average prices for the capsule form still linger above 20% of the trade price of Novartis' Exelon (see Figure 1).

Other product formulations, meanwhile, have maintained their prices even better. Average prices for the 2mg/ml sugar-free oral solution are back to more than 90% of the brand's trade price, while two newly-launched patches offer independent pharmacists and dispensing doctors little more than a 15% discount to the brand.

This is not to say that the product has failed to excite generics suppliers. Charles Joynson, managing director of WaveData, points out that more than 5,000 price offers on the four capsule strengths in the two pack sizes have been made to pharmacists in the 19 months since launch, at a rate of over 250 per month. More than 50 price offers each in a month are not unusual for 28-capsule packs of the 3mg and 4.5mg strengths. Since rivastigmine's launch, seven manufacturers have been active in the capsule market: Actavis, Almus, Arrow – now also Actavis – Consilient, Mylan, Sandoz and Teva.

Meanwhile, over 400,000 rivastigmine capsules were prescribed on the National Health Service each month in the period between May 2012 and February 2013, alongside 250,000 patches and 30,000mls of solution. It has been estimated that the brand had UK sales of £7.8 million (US\$12.2 million) at ex-manufacturer prices in 2010. The monthly price decay of one of the capsule strengths is shown in Figure 2.

Another factor in rivastigmine's price decline has been its reimbursement listing. For the first 12 months the capsules were on the market, pharmacists were reimbursed at the brand's trade price in category C of the Drug Tariff (see Figure 3). The move to category A in October 2012 meant that a weighted average has since been used of the price lists of two manufacturers – Actavis and Teva – together with those of the two main wholesalers – Celesio's AAH and Alliance Boots' Alliance Healthcare. Both the solution and patches are still reimbursed at the equivalent brand price.

Another complicating factor has been the relatively leisurely launch period. Mylan defeated Exelon's protection in the Patent Court of England and Wales and was first to launch the four capsule strengths on 25 October 2011 (*Generics bulletin*, 1 November 2011, page 17). Consilient soon followed (*Generics bulletin*, 18 November 2011, page 27). Teva, however, did not launch rivastigmine capsules until 29 June 2012 at 55% of the brand price, representing a premium compared to some of its rivals. Exelon's protection had been due to expire on 30 July 2012. At the time, Teva commented that local charity Alzheimer's UK had estimated the financial cost of dementia to the UK would be over £23 billion in 2012.

Figure 4 shows that rivastigmine solution has been available for about a year at prices that have differed little from that of the brand, and consequently the Drug Tariff price. Teva launched the two patch strengths earlier this month on 11 June.

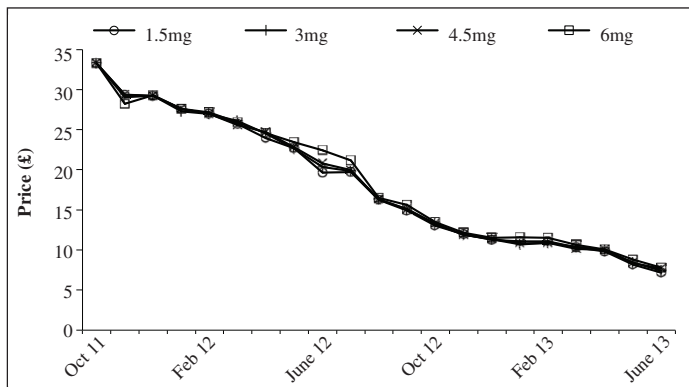


Figure 1: Average price decay of 28-capsule packs of rivastigmine 1.5mg, 3mg, 4.5mg and 6mg since generic launch about 18 months ago (Source – WaveData)

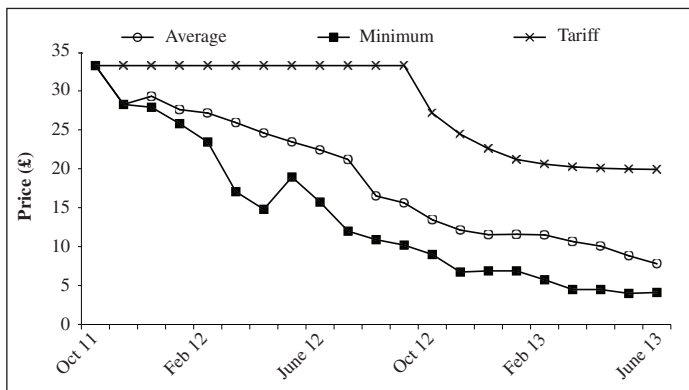


Figure 2: Average and minimum monthly prices, as well as Drug Tariff prices, for 28-capsule packs of rivastigmine 6mg since launch (Source – WaveData)

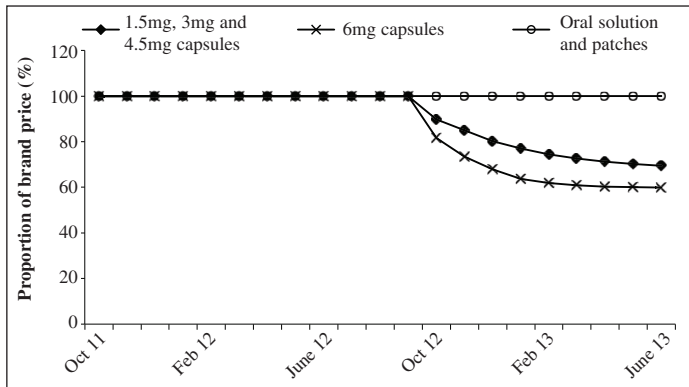


Figure 3: Comparison of the monthly Drug Tariff prices of all presentations of rivastigmine compared with Exelon's equivalent trade price (Source – WaveData)

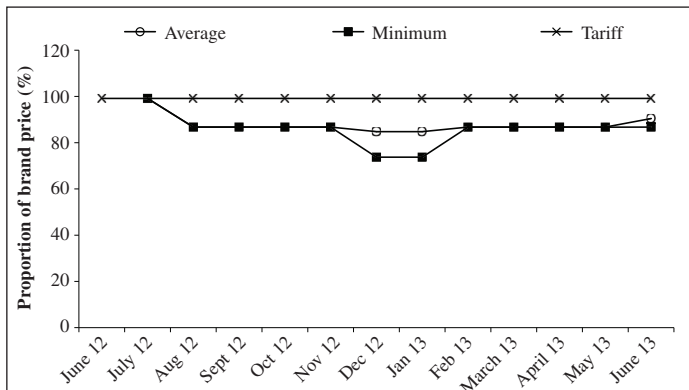


Figure 4: Average and minimum prices, as well as the Drug Tariff price, for 120ml rivastigmine 2mg/ml solution compared with Exelon's trade price (Source – WaveData)

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