ABSTRACTED SCIENTIFIC CONTENT

The case for reforming drug naming

Use of brand name drugs over generic equivalents after expiration of exclusivity still prevails. Ameet Sarpatwari and Aaron Kesselheim argue the case for reforming drug naming by allowing generic products to share the brand names of their corresponding innovator.

In a recently published article [1], Sarpatwari and Kesselheim argue the case for reforming drug naming. In the US, pharmaceutical manufacturers spend at least US$30 billion annually on marketing brand awareness to physicians and patients [2]. The effects of this, they suggest are two-fold: product recognition of an innovator drug increases, enabling patients to differentiate between drugs, but confusion can also be created between the branded drug name, which can differ from one country to another, and its generic name. This, in their opinion, diminishes the safe and effective use of more affordable generic products.

The authors explain that the convention of assigning innovator drugs a brand and generic name dates back to the late 1950s. Political deliberations on the best way to incentivize innovation and curb monopolies at one point led to the idea of banning brand names altogether [3] but this was promptly met with a backlash from the pharmaceutical industry. The compromise was to continue using brand names but that the US Food and Drug Administration (FDA) would simultaneously issue generic names to all products sharing the same active ingredients. This remit has now fallen to the US Adopted Names Council, which can recommend generic names to the World Health Organization International Nonproprietary Names Programme.

In the 1980s, new legislation allowed drug regulators to approve generic drugs on the basis of bioequivalence: it had to possess an equal amount of the same active ingredient but also be proven to deliver these active ingredients to a target site at an equivalent rate. These products would receive the same generic name as their innovator counterparts. Generic drugs led the way in stimulating market competition and reducing costs.

The authors show that, despite great strides being made in the generic drug industry, branded prescription drugs are still widely used in the US today. They argue that articles on industry-sponsored studies still refer to drugs solely by their brand name; and that doctors continue to prescribe branded drugs even when a drug's market exclusivity period ends [4]. In the UK, they refer to the 80% generic prescribing rate achieved by doctors, largely the result of a capitated payment model, suggesting to them that reform is possible [5]. Yet, in the US, they argue that pharmacist-driven generic substitution is mandatory in only 20 states, and in the EU in 2010, only seven countries had pharmacist-driven generic substitution legislation in place [6].

Sarpatwari and Kesselheim [1] believe it is now time for reform. They propose a number of steps that can be taken to reduce the effect of brand name use for prescription drugs. Their main recommendation is to allow generic products to adopt the brand names of their corresponding innovator products. Legislating this, they believe, would boost public confidence in the equivalence of generic and innovator drugs. Policies to this effect might help patients and physicians overcome 'psychological and practical hurdles' to generic substitution, resulting in substantial savings. It might be less confusing for physicians, they argue, who may default to brand-name prescribing because of the complexity of some generic names. In their opinion, what is important for the physician is a focus on memorable names and ease of use. They believe that their proposal to allow generic products to adopt brand names of corresponding innovator drugs would limit the innovator's ability to profit extensively though product differentiation and brand recognition as is the case now. The authors maintain, however, that pharmaceutical manufacturers can still differentiate their products through reliance on their corporate name to establish a separate identity from generic drugs.

Another benefit of brand-name sharing, they believe, would be to allow generic manufacturers to enter joint marketing deals with the innovator manufacturer rather than spending money to establish a separate identity. This way, savings could be passed directly to patients.

Finally, they argue that brand-name sharing might reduce the effect of 'cost-shifting tactics' undertaken by pharmaceutical manufacturers to the detriment of healthcare insurers and ultimately patients. The authors draw on a previous article [7] explaining how coupon programmes used by pharmaceutical manufacturers in the US are designed to hook patients into opting for brand-name drugs by reimbursing them for the difference in co-payment; yet on expiry of the coupon programme, patients with chronic diseases face co-payment for the brand-name drug that is higher than the generic alternative. Consequently, insurers must still pay the manufacturer the higher cost of the medicine, even though lower cost alternatives are available. These costs are ultimately passed on to the patient through increases in insurance premiums.

Given the increased pressure to reduce drug costs, Sarpatwari and Kesselheim [1] argue that, changing the law to enable generic products to adopt the brand names of their innovator counterparts would help reduce this inefficiency while still permitting product promotion and manufacturer-specific dispensing.

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