



## New RGA Report Identifies Most Expensive Specialty Drugs

August 23, 2016

ST. LOUIS--(BUSINESS WIRE)--Aug. 23, 2016-- RGA Reinsurance Company, a subsidiary of [Reinsurance Group of America, Incorporated](#), (NYSE: RGA) today released a report identifying 183 high-cost specialty drugs, defined as costing greater than \$50,000 annually or \$7,000 monthly, based on wholesale acquisition costs (WAC) of each product identified. The report and accompanying management tool serve as a resource to educate and inform healthcare professionals about high-cost drugs.

Of the 183 drugs on the list, 126 (69%) cost more than \$100,000 per year, and 48 of those (26%) cost more than \$200,000 annually. The most expensive drugs in annual cost include:

- Glybera, which is indicated for the treatment of lipoprotein lipase deficiency (\$1,210,000). This product is not yet approved by the U.S. Food and Drug Administration (FDA), but is available in Europe.
- Ravicti, indicated for the treatment of urea cycle disorders (\$793,632)
- Lumizyme, indicated for the treatment of Pompe's Disease (\$626,400)
- Carbaglu, indicated for hyperammonemia (\$585,408)
- Actimmune, for the treatment of severe, malignant osteopetrosis and chronic granulomatous disease (\$572,292).

According to the report, hemophilia and related disorders are some of the most expensive diseases to treat medicinally. Treatment options include, 34 different specialty drugs listed at \$100,000 or more per year. RGA's report, which is available to the company's clients, includes a detailed analysis and disease breakout on hemophilia drug costs. [Click here](#) to view an infographic outlining some additional information contained in the report.

To accompany the report, RGA also developed a detailed Excel tool to help its clients manage the surge in both the volume and the cost of specialty drugs. The tool, which can be quickly and easily searched, sorted, and filtered to specific drug names, codes, classes, and costs, was developed by RGA Group Research in conjunction with ROSE<sup>®</sup> Health Services Consultants. ROSE (Reinsurance Outcomes and Service Experts) is a nurse-led consulting service and the nation's foremost reinsurance-based case management consulting program.

"This report and management tool will serve as invaluable resources for practitioners across insurance medicine," said Michelle Fallahi, Senior Vice President, Healthcare Reinsurance, RGA. "With the rising cost of healthcare, the role of insurance has never been more important, especially for patients requiring high-cost treatment. Programs like ROSE and resources like this high-cost drug management tool enable carriers to manage cost more effectively and lead to the goal we are all working toward: better outcomes for patients."

### About the Report

For the scope of this tool and report, high-cost drugs are defined as costing greater than \$50,000 annually or \$7,000 monthly. The cost cited is the lesser of the cost of curing the disease in a given patient or providing 12 months of treatment. The exception to this definition is if a lower-cost drug is routinely paired with a higher-cost drug, then it is also listed in this report. Costs were based on Wholesale Acquisition Costs (WAC) which represents a manufacturer-reported "list price," at which, that manufacturer will sell a medication to a wholesaler. Like Average Wholesale Price (AWP), WAC is not based on actual sales information, and it is usually higher than the price at which a manufacturer will sell a drug to a wholesaler. WAC does not represent actual transaction prices and does not include other discounts, rebates, or reductions in price.

### About RGA

Reinsurance Group of America Incorporated (RGA) is among the leading global providers of life reinsurance and financial solutions, with approximately \$3.1 trillion of life reinsurance in force and assets of \$53.9 billion as of June 30, 2016. Founded in 1973, RGA today is recognized for its deep technical expertise in risk and capital management, innovative solutions, and commitment to serving its clients. With headquarters in St. Louis, Missouri and operations in 26 countries, RGA delivers expert solutions in individual life reinsurance, individual living benefits reinsurance, group reinsurance, health reinsurance, facultative underwriting, product development, and financial solutions. To learn more about RGA and its businesses, visit the company's website at <http://www.rgare.com/>.

View source version on businesswire.com: <http://www.businesswire.com/news/home/20160823005450/en/>

Source: Reinsurance Group of America, Incorporated

Reinsurance Group of America, Incorporated  
Lynn Phillips, 636-736-2351  
Executive Director, Public Relations  
[lphillips@rgare.com](mailto:lphillips@rgare.com)