When it comes to spending on retail prescription medicines, there is a lot of information out there. There is also a lot of misinformation. Make sure you know the facts.

**Four Facts about Spending on Prescription Medicines**

1. **Retail Prescription Medicines Have Consistently Accounted for About 10% of U.S. Health Care Spending and Are Projected to Remain That Share Through the Next Decade**
   - 1960: 10%
   - Today: 10%
   - 2025 Projected: 10%

2. **Medicines Have Remained a Small Share of Health Care Spending Because a Competitive Biopharmaceutical Marketplace Helps Control Costs**
   - Negotiation: Insurers aggressively negotiate discounts
   - Brand Competition: Competition among medicines produces savings even before generics are available
   - Generics: Nearly 90% of all medicines dispensed are generics

3. **Despite a Long and Costly R&D Process, More Than 500 New Medicines Have Been Brought to U.S. Patients in the Last 15 Years**
   - On average, it takes 10 years and $2.6B to develop a new medicine
   - Only 12% of candidates that enter clinical testing are approved for use by patients
   - Just 2 in 10 approved medicines recoup the money invested in R&D

4. **Innovative Medicines Help People Live Longer, Healthier Lives**
   - New hepatitis C therapies have cure rates above 90%
   - The U.S. death rate for HIV & AIDS has fallen nearly 85%
   - Cancer death rate in U.S. has fallen 23%

Learn more about the cost and value of medicines at [phrma.org/cost](http://phrma.org/cost)