



Infographic

Prescription Drug Prices

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Today the American Action Forum released an infographic that illustrates the long and winding road of a prescription drug from the manufacturer to the patient. This complex process greatly complicates the pricing structure. As policymakers look for solutions to the problem of health care affordability, direct and indirect remuneration must continue to be part of the conversation.

[Read the entire analysis here.](#)

Prescription DRUG PRICES

The path of a prescription drug from the manufacturer to the patient is a long and winding road with many stopping points along the way. The number of middlemen between the manufacturer and the patient complicates the pricing structure. Adding to the complexity are rebates, discounts, and other forms of compensation that are provided between middlemen.

>>> FLOW CHART KEY<<<

RX DRUG FLOW CHART



Flow of Rx Drugs

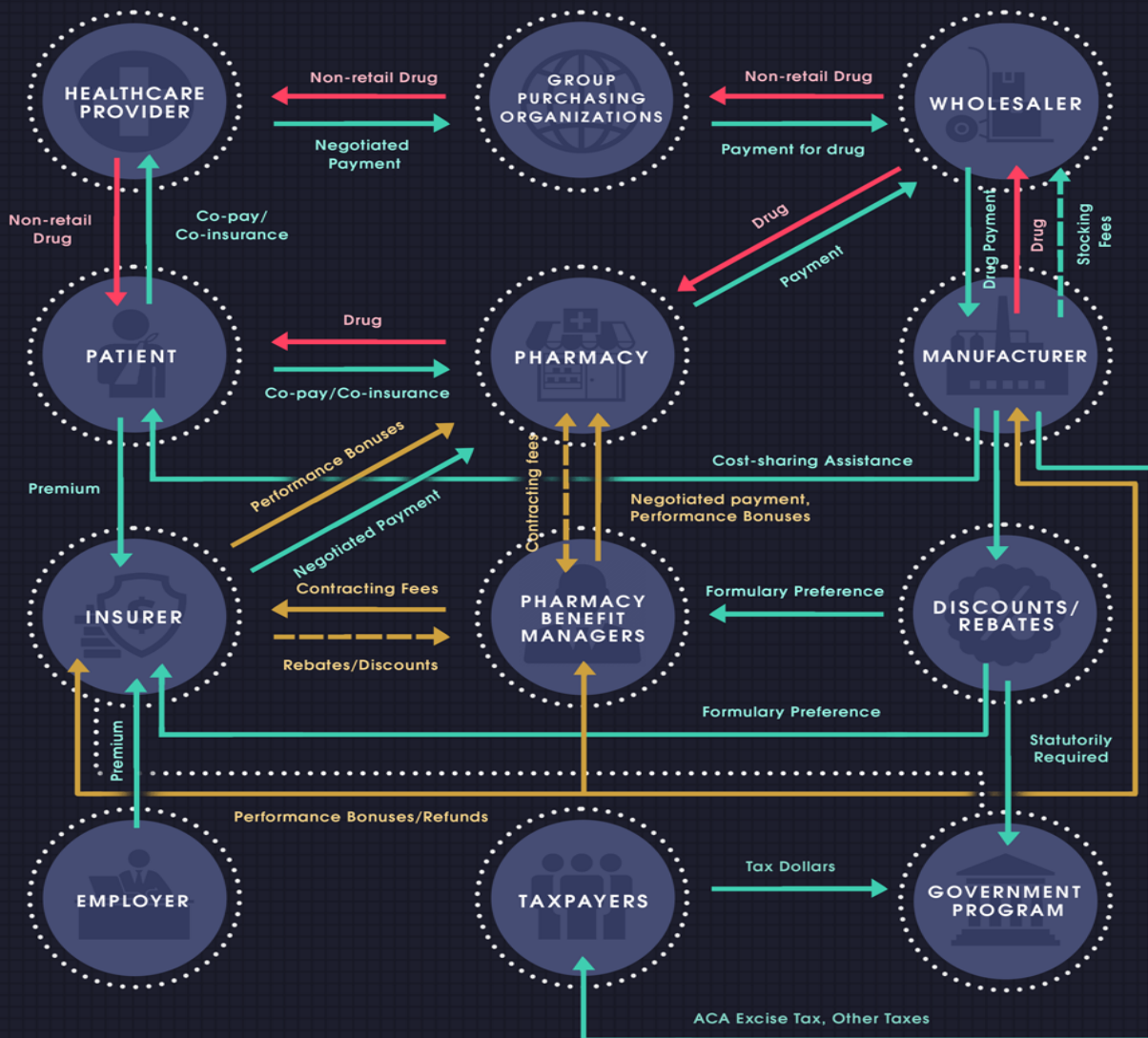


Customary Fees and Payments



Potential DIR* Payments

*Direct and indirect remuneration (DIR) are sale discounts after final sale



The lack of price transparency makes it difficult to know where all the money is going, who is benefitting from these price discounts, and who is impacted by the fees. Policymakers should seek additional data to more fully understand the extent of the payments and how they should be used to provide the greatest benefit to patients and taxpayers.

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