

Press Release



The Inconsistent Treatment of Biosimilars in Medicare and Medicaid

ANDREW EVANS | JULY 8, 2019

Are “biosimilars” treated as generic or name-brand drugs in federal law? It depends, as AAF’s Deputy Director of Health Care Policy Tara O’Neill Hayes explains. Biologics and their derivatives, biosimilars, are some of the most expensive drugs on the market today, and federal policy is not consistent in how it treats biosimilars, sometimes seeing them as generics and other times as name-brand. Hayes explains how Medicare and Medicaid treat biosimilars and provides an interpretation for why it does so.

An excerpt:

While biosimilars are sometimes treated like single-source, brand-name drugs and sometimes treated like generics, the one consistency seems to be that each decision is designed to increase choice and reduce costs. In terms of coverage, policies are aimed at giving patients the greatest amount of choice and protecting their access to medications. In terms of reimbursement, policies aim to reduce the government’s and patients’ costs, either directly through greater rebate requirements or indirectly by encouraging development and utilization of biosimilars over the brand-name reference product. Yet just as the biosimilar market is evolving, these policies could as well, and they are worth watching.

[Read the analysis.](#)