A Price on Life: Annotated Bibliography

**Working thesis:** What factors are influencing the current spike in pharmaceutical drug prices?


This source was focused on a 310 percent increase in the price of a drug called Nitropresas. The article attempts to explain what caused this price spike. The author first establishes that this is a common practice in the industry with a quote from the global investment bank Canaccord. This quote states that, “At least 14 different pharmaceutical companies, excluding Valeant, had made similar price hikes in recent years.” (Edwards, np) The article then attributes these rising prices to the specific nature of Medicare wherein it is required by the government to cover every cancer treatment method regardless of price. This allows the drug companies to charge any amount they want for a product as long as it is covered by...
insurance. This factor, in conjunction with patents, keep competition at bay, resulting in high prices for certain medication.

This source is classed as a popular source due to the fact it appeared in a *Time Magazine* issue. Other defining characteristics include its simplistic language and easily understandable sentence structure. These characteristics suggest that this article was written for people of average intellect who are not well versed on medical terminology. This article was published in 2016 which makes it current and pertinent. The author isn’t particularly credible because she has no background in any medical or economic fields. The article itself is useful for my research paper because it is current and contains interviews with leading experts in fields pertaining to my research question. These interviews address the question: What behind the increasing drug prices? Therefor they can be used in my paper to support claims relating to the increase in price.


This article purports itself as a guideline for reducing drug prices in America. It contains four main steps by which we can achieve this end. These steps are to create a federal watchdog committee, allow Americans to import drugs, reform the patent process, and help regulators fast-track generics. The author elucidates each of these steps with potential legislation which, once enacted, could change our existing system and reduce the current cost of drugs.
This is a popular article due to the fact that it was published in *Time Magazine*. Other attributes which suggest this is for a general audience is the simple sentence structure and the basic vocabulary used through the entirety of the article. This article is current because it was published less than five months ago. The author isn’t particularly credible because she has no background in any medical or economic fields. This is a useful source for me because I am attempting to determine what is causing the price inflation and this article explains what is causing the inflation and how to stop it.


This article argues that the main cause of increasing prices has to do with the fact that the US government grants monopolies to drug manufactures. The article is focused around how dermatology is affected. New drugs such as biologic drugs are protected from competition for up to 12 years and this monopoly allows drug manufacturers to charge whatever price the market will bear. With fewer suppliers the law of supply and demand takes hold and prices rise. These prices are offset by rebates which are provided by the drug companies in the form of coupons discounts and other price concessions for the individual. Prices also fluctuate depending on the value a medicine is able to bring to the consumer. When a drug comes to market it may have more effective uses than originally anticipated and this will increase its price due to increase in demand.
This source is a scholarly source because it was published in the Journal of the American Medical Association. The paper requires a high reading level to comprehend it and it contains lots of specialized vocabulary pertaining to dermatology. This article is current because it was only published five months ago. I can utilize this source in my paper because it provides an explanation about how the monopoly certain drug companies currently have leads to an increase in the price of a drug.

HOOPER, CHARLES L. and DAVID R. HENDERSON. "Want Cheaper Drugs?.."


This article discusses the need for competition and less restrictive regulations in order to lower the skyrocketing drug prices in America. The author states what he believes the primary reason behind the high cost of drugs is by explaining the contribution the Food and Drug Administration (FDA) has in increasing drug prices. Lastly the author examines the factors behind the difference in generic drug price and how the copay system obscures the prices of drugs from the consumer. The author also claims that pharmaceutical companies perceive the value of their own products much higher than their actual value.

This article is a popular source because it is written at a basic reading level and contains vocabulary which can be understood by a layman in the subject of pharmaceuticals. Although it was published in an edition of the Regulation journal, it is
meant to be read and understood by the general public. This article is less than a year old so it is still highly pertinent in regards to the current policies of FDA. This article provides a wealth of information about various unseen factors inflating drug prices; such factors including copays and FDA testing standards and regulations. This article also provides some counterpoints to commonly held arguments about what is causing the price increase. Many of the other articles suggest that opening up American markets to foreign competition would decrease the prices in America, however the Authors contend that this would stagnate the current drug research industry. I can use this article in my essay to provide a counter argument to claims made in other documents.


The section of the book which pertains to my research question discusses the trend of increasing medical costs across the board. Prices of insurance for consumers has almost doubled over the past 40 years with the bulk of the increase occurring since 1990. Along with insurance prices, prices for medical services in general have gone up. Services such as checkups and emergency room visits have seen comparable price increases.

This book is a reference book with over 800 pages written by several different authors. A majority of these authors have doctorates in medicine and the contributions the make are very credible. Reference books such as this one have very specialized vocabulary and pages of citations in the appendix. All of these factors establish this book as a scholarly source. Although this reference book was first
released in 2000, it has been continually updated and is still relevant today. This source is important for my article because a general increase of prices across the entire medical field would also include drug prices. I can use this source to establish a general trend of price inflation as a baseline for the medical industry and then specifically examine drug prices.


This article claims that the rise in drug prices is a result of many differing things. The author first argues that drugs are a unique commodity whose true value is not expressed by the marketplace. The article explains how patients value medical services and drugs much more than it would seem judging by their ability to pay alone. The article then provides a myriad of different ways in which the drug price are effected by outside influences. Drug shortages are one reason drug prices have increased. These shortages can be permanent or temporary such as in the case of Daraprim. When the patent on a drug runs out, the profitability of that drug is reduced and it stops being manufactured resulting in shortages. Direct to consumer advertising programs are another cause for price increases. Drugs such as Viagra or sleep aids are marketed to consumers directly and this results in patients asking for and receiving these drugs in cases where they otherwise would not have been prescribed them. This increased demand has an effect in raising the price of drugs.
This article is a current one which was published very recently in the Annual Review of Pharmacology and Toxicology. It contains difficult to understand medical terminology and is intended to be read by someone with a medical background. It contains many citations which directly support the article’s claims and subclaims. These factors suggest that it is a scholarly article. I can utilize this article in my own paper because of how it provides multiple different explanations as to what causes price hikes. It also supports these explanations with evidence and data which it references throughout the text.


This source argues that Copay assistance is a major cause in the increasing price of drugs. Copay assistance diminishes price pressure because it obscures the actual price of drugs and keeps the general public in the dark about how expensive the drug actually is. The article also explains how copay assistance programs are not as good as they seem. When drug companies have copay systems in place such as coupons, the insurance provider pays a greater amount even if the consumer pays the same amount. Insurance companies will make patients only pay a certain amount each year. Once the patient’s payment obligation limit is reached the insurer is required to pay the resulting costs. The drug companies are able to raise the drug prices and offer copays directly to keep consumers out of pocket costs low while the
insurance providers must pay the full price for the drug. This incentivizes drug companies to vastly increase prices of drugs.

This source is scholarly due to the fact that it uses many citations and has a high reading level. Furthermore, this article was peer reviewed and published quite recently by the American College of Physicians. The author, Peter Ubel, has an MD in medicine and is the author of multiple books making him a credible source of information. This source is important for my research question because it is current and directly links rising costs of drugs with the current copay system we have in the United States.


EBSCOhost,


This article argues for legislative action to be taken for a reduction in drug pricing. It uses the controversial drug Daraprim as an example of a drug which has been raised from around 10 dollars to 750 dollars. The author suggests that if the government set a ceiling for the maximum price a company can charge for a particular drug this would stop the price increases. Another proposed solution would be to allow competition from foreign drug companies who charge less for the same product.

This article is a popular source since it originates from a 2016 issue of Scientific American. The article, although very current, doesn't reference any sources besides an opinion poll about how Americans feel about drug price hikes.
and so it is not very reliable. This article isn’t credited to any particular author and this also detracts from its credibility. Because it is intended for a general audience the reading level is not as advanced as a scholarly article and so it can be classified as a popular source. I can use this article to help introduce the current problem because it references a recent example of drug price increases. I can also use this article if I need to explain the public perception of the problematic price hikes.