



FACTSHEET

NHS Drug Expenditure – Top 10

When the NHS was launched in 1948 it had a budget of £437million (roughly £9billion at today's value). In 2008/9 it received over 10 times that amount (more than £100billion). This equates to an average rise in spending over the full 60-year period of about 4% a year once inflation has been taken into account. However, in recent years investment levels have been double that to fund a major modernisation programme.

Some 60% of the NHS budget is used to pay staff. A further 20% pays for drugs and other supplies, with the remaining 20% split between buildings, equipment and training costs on the one hand and medical equipment, catering and cleaning on the other. Nearly 80% of the total budget is distributed by local trusts in line with the particular health priorities in their areas. The money to pay for the NHS comes directly from taxation. According to independent bodies such as the King's Fund, this remains the "cheapest and fairest" way of funding health care when compared with other systems. The 2008/9 budget roughly equates to a contribution of £1,980 for every man, woman and child in the UK.

Overall, drug expenditure represents about 10% of NHS drug expenditure. Following the 2010 General Election, the coalition government saw to it that all NICE approved drugs should be made readily available to all NHS England patients, irrespective of where they live, and as a consequence there has been a steady increase in the value of drugs issued in hospitals (secondary care). This equates closely with the fact that the newer drugs positively appraised by NICE tend to be very expensive in terms of acquisition cost (i.e. trade price to the NHS).

- The overall NHS expenditure on medicines in 2009 was £12.3 billion.
- The overall NHS expenditure on medicines in 2010 was £12.9 billion.
- In 2009 hospital use accounted for 30.9% of the total cost, up from 28.8% in 2008.
- In 2010 hospital use accounted for 31.7 per cent of the total cost, up from 30.9 percent in 2009.
- In 2010, the cost of medicines rose by 5.6% overall but by 13.2% in hospitals
- In 2009, the cost of medicines rose by 4.8 per cent overall but by 7.7 per cent in hospitals
- In 2010, of the drugs positively appraised by NICE, the greatest overall cost was for atorvastatin but etanercept incurred the greatest cost in hospitals.
- In 2009, of the drugs positively appraised by NICE, the greatest overall cost was for atorvastatin but adalimumab incurred the greatest cost in hospitals.

Table 1. Cost (£000s) of top 10 medicines issued in hospital in 2010

1. Adalimumab (Humira)	180,519.7
2. Etanercept (Enbrel)	179,631.0
3. Ranibizumab (Lucentis)	128,984.7
4. Trastuzumab (Herceptin)	105,878.0
5. Infliximab (Remicade)	103,437.6
6. Rituximab (Rituxan/MabThera)	93,672.3
7. Imatinib (Glivec)	55,262.9
8. Docetaxel (Taxotere)	52,994.3
9. Lenalidomide (Revlimid)	49,676.9
10. Oxaliplatin (Eloxatin)	44,087.5

Table 2. Cost (£000s) of top 10 medicines issued in Primary care in 2010

1. Atorvastatin (Lipitor)	305,652.7
2. Olanzapine (Zyprexa)	110,045.1
3. Quetiapine (Seroquel)	88,915.7
4. Omeprazole (generic)	84,252.0
5. Simvastatin (including combinations) mainly generic	82,134.8
6. Ezetimibe (excluding combinations) Ezetrol family	77,454.3
7. Insulin glargine (Lantus)	73,723.7
8. Pioglitazone (inc with metformin) Actos family	68,132.9
9. Buprenorphine (inc with naloxone) Subutex family	57,646.7
10. Levitiracetam (Keppra)	54,350.8

Table 3. Overall cost (£000s) of top 10 medicines issued in ALL sectors 2010

1. Atorvastatin (Lipitor)	312,871.9
2. Adalimumab (Humira)	189,302.7
3. Etanercept (Enbrel)	188,628.2
4. Ranibizumab (Lucentis)	128,987.0
5. Olanzapine (Zyprexa)	126,501.6
6. Trastuzumab (Herceptin)	105,878.0
7. Infliximab (Remicade)	103,439.7
8. Quetiapine (Seroquel)	101,992.3
9. Rituximab (Rituxan/MabThera)	93,673.4
10. Omeprazole (generic)	91,313.7

Table 4. Cost (£000s) of top 10 medicines issued in hospital in 2009

1. Etanercept (Enbrel)	158,377.8
2. Adalimumab (Humira)	150,592.6
3. Trastuzumab (Herceptin)	96,126.0
4. Ranibizumab (Lucentis)	94,694.8
5. Infliximab (Remicade)	90,387.3
6. Rituximab (Rituxan/MabThera)	79,391.7
7. Imatinib (Glivec)	54,105.2
8. Docetaxel (Taxotere)	49,711.0
9. Oxaliplatin (Eloxatin)	39,913.9
10. Paclitaxel (Taxol)	34,822.1

Table 5. Cost (£000s) of top 10 medicines issued in Primary care in 2009

1. Atorvastatin (Lipitor)	321,499.6
2. Clopidogrel (Plavix)	136,574.7
3. Olanzapine (Zyprexa)	106,073.6
4. Quetiapine (Seroquel)	78,682.9
5. Simvastatin (including combinations) mainly generic	73,470.9
6. Ezetimibe (excluding combinations) Ezetrol family	71,409.0
7. Insulin glargine (Lantus)	66,753.3
8. Simvastatin (excluding combinations) generic	66,753.3
9. Omeprazole (generic)	65,796.8
10. Rosuvastatin (Crestor)	51,662.8

Table 6. Overall cost (£000s) of top 10 medicines issued in ALL sectors 2009

1. Atorvastatin (Lipitor)	328,652.1
2. Etanercept (Enbrel)	166,450.4
3. Adalimumab (Humira)	157,022.6
4. Clopidogrel (Plavix)	149,455.2
5. Olanzapine (Zyprexa)	123,113.1
6. Trastuzumab (Herceptin)	96,126.0
7. Ranibizumab (Lucentis)	94,695.5
8. Quetiapine (Seroquel)	91,805.0
9. Infliximab (Remicade)	90,387.3
10. Rituximab (Rituxan/MabThera)	79,392.0

Interestingly, the UK patents for the following brands will/have expire(d) in the following years. Clearly this will have a major impact on future data released in 2012.

Lipitor (2012)

Plavix (2010)

Zyprexa (2011)

Seroquel (tbc)

Due to the complex nature of patent law these dates are best estimates, at the time of writing this article and can not therefore be guaranteed.

Sources:

The NHS Information Centre <http://www.ic.nhs.uk/>

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