Predicted Impacts: Biologics and Biosimilars

The introduction of biosimilars into the U.S. marketplace will increase competition and drive down prices, resulting in savings for patients, health care payers and taxpayers. The savings will hinge on the evolving competitive landscape in the pharmaceutical industry, regulatory decisions, and insurer effort to promote biosimilar update through payment rates and other strategies.

Lower costs will improve access to biologic drugs, which could lead to higher spending overall unless the treatments help lower hospitalizations or other costs.

Future research will be conducted as more biosimilars come to market to see whether savings are realized and who benefits from any reductions in spending.