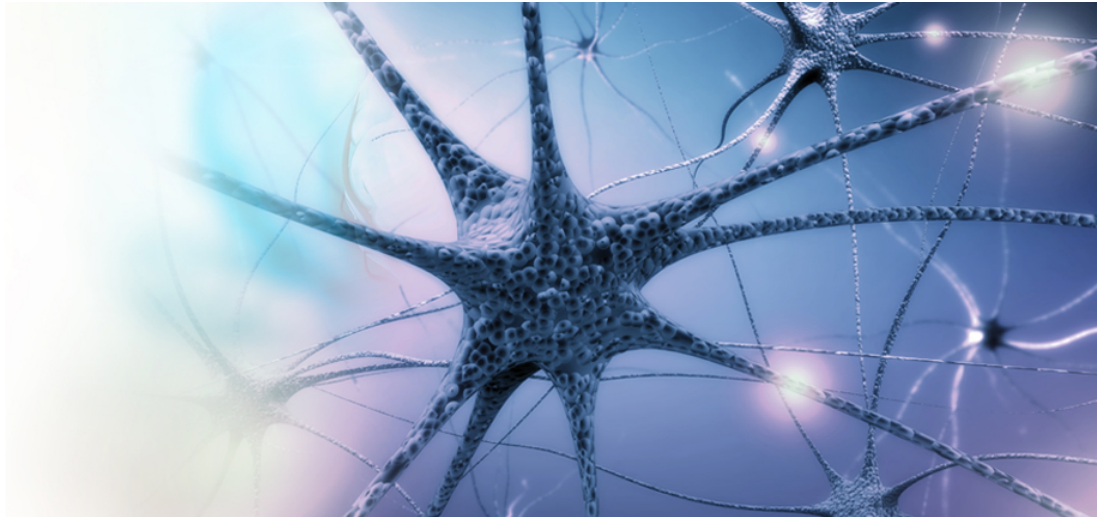


Tecfidera® Was a Bargain, Price Increases and All



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The US market-based price for Tecfidera was a bargain, even considering the price increases over the period of exclusivity.

Tecfidera[®] (dimethyl fumarate) was launched in 2013 to treat the relapsing forms of multiple sclerosis. **Conventional cost-effectiveness analysis suggested that the price of Tecfidera would need to be discounted by 40-60%** to meet cost-effectiveness thresholds. However, these methods assumed the launch price would stay constant forever, ignoring the realities of generic competition.

We conducted a cost-effectiveness analysis for dimethyl fumarate at launch with price dynamics incorporated based on the real-world price increases over the period of exclusivity and the real-world price of generic dimethyl fumarate after the period of exclusivity. Incorporating these price changes into the economic model showed that **dimethyl fumarate was cost-effective**.

When we expanded our analysis to follow a generalized cost-effectiveness analysis framework that incorporated societal impacts, health system impacts, and dynamic drug pricing, **dimethyl fumarate was cost saving to society**.

The US market-based price for Tecfidera was a bargain, price increases and all. The “high” price we paid incentivized generic equivalents to enter the market and substantially drove down pricing and incentivized the development of new, even more effective, treatments for people living with multiple sclerosis.

Read our full report for a description of our modeling assumptions and detailed model findings.

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