

STATISTICAL BRIEF #180

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The Top Five Outpatient Prescription Drugs Ranked by Total Expense for Children, Adults, and the Elderly, 2004

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Introduction

This Statistical Brief provides information on the top five outpatient prescription medicines ranked by total expenditures as reported by households in the U.S. civilian noninstitutionalized (community) population in calendar year 2004 for the following three subpopulations: children age 17 and under, adults age 18-64, and the elderly age 65 and older. The brief also provides information on average total payment and average out-of-pocket payment per purchase for the top five drugs for each subpopulation.

The estimates in this brief are derived from the Household Component of the 2004 Medical Expenditure Panel Survey (MEPS-HC). Only prescribed medicines purchases in an outpatient setting are included in the estimates. Insulin and diabetic supplies and equipment are included in MEPS prescribed medicines estimates. Over-the-counter medicines are excluded from these estimates as are prescription medicines administered in an inpatient setting or in a clinic or physician's office. All differences discussed in the text are statistically significant at the 0.05 level.

Findings

In 2004, the top five household-reported prescribed medicines when ranked by annual expenditures for children age 17 and under included the following:

**2004 MEPS-HC prescribed medicines:
Top five prescribed medicines ranked by total expenditures
for children age 17 and under**

Rank	Prescribed medicine name	Total dollars (in billions)	Average total payment per drug purchase	Average out-of-pocket payment per drug purchase
1	Singulair	\$.68	\$86.45	\$28.52
2	Concerta	\$.49	\$103.70	\$24.59
3	Strattera	\$.43	\$103.31	\$22.85
4	Zyrtec	\$.42	\$61.29	\$25.60
5	Adderall	\$.41	\$88.10	\$22.13

Highlights

- In 2004, when ranked by total expenditures, three of the top five drugs for children age 17 and younger were drugs that are commonly used to treat attention deficit hyperactivity disorder (ADHD) and totaled \$1.3 billion: Concerta ranked second with \$.49 billion, Strattera ranked third with \$.43 billion, and Adderall ranked fifth with \$.41 billion.
- When ranked by total expenditures in 2004, for adults age 18-64, two cholesterol reducing medicines ranked first and fourth (Lipitor with \$4.88 billion and Zocor with \$2.25 billion), and two proton-pump inhibitors ranked second and third (Nexium with \$2.67 billion and Prevacid with \$2.42 billion).
- During 2004 for the elderly age 65 and older, cholesterol-reducing drugs ranked first and second in terms of rank by total expenditures (Lipitor, \$4.35 billion and Zocor, \$2.44 billion).
- In 2004, the top five drugs when ranked by total expenditures for children age 17 and under totaled \$2.4 billion and accounted for nearly one-quarter (24.2 percent) of all spending on prescribed medicines for that age group.

In 2004, Singulair, a medicine that can be used to control asthma, ranked first in terms of expenditures at \$.68 billion. Three medicines that are commonly used to treat attention deficit hyperactivity disorder (ADHD) ranked number two (Concerta, \$.49 billion), number three (Strattera, \$.43 billion), and number five (Adderall, \$.41 billion), and totaled \$1.3 billion. Zyrtec, an antihistamine, ranked fourth at \$.42 billion. The combined expenditures for the top five drugs totaled \$2.4 billion and represented 24.2 percent of the \$9.9 billion total drug expenditures for children age 17 and younger.

Zyrtec had the lowest average total payment per drug purchase (\$61.29) as compared with the other drugs ranked in the top five for children in 2004. The average total payment per purchase for Concerta (\$103.70) was higher than the average total payment per purchase for Singulair (\$86.45), Zyrtec (\$61.29), and Adderall (\$88.10). The average payment per drug purchase was higher for Strattera than for Singulair.

During 2004, there were no significant differences in the average out-of-pocket payment for any of the top five drugs for children when ranked by total expenditures.

In 2004, the top five household-reported prescribed medicines when ranked by annual expenditures for the adult population age 18-64 included the following:

**2004 MEPS-HC prescribed medicines:
Top five prescribed medicines ranked by total expenditures
for adults age 18-64**

Rank	Prescribed medicine name	Total dollars (in billions)	Average total payment per drug purchase	Average out-of-pocket payment per drug purchase
1	Lipitor	\$4.88	\$101.34	\$30.73
2	Nexium	\$2.67	\$165.01	\$45.22
3	Prevacid	\$2.42	\$126.72	\$32.01
4	Zocor	\$2.25	\$122.61	\$42.74
5	Zoloft	\$1.90	\$88.49	\$29.43

In 2004, Lipitor, a cholesterol-reducing medicine, ranked first in terms of expenditures at \$4.88 billion, and another cholesterol-reducing drug, Zocor, ranked fourth at \$2.25 billion. Two proton-pump inhibitor drugs ranked number two (Nexium, \$2.67 billion) and number three (Prevacid, \$2.42 billion). Rounding out the top five was Zoloft, an antidepressant, at \$1.90 billion. The combined expenditures for the top five drugs totaled \$14.1 billion and represented 12.2 percent of the \$115.9 billion of total drug expenditures for adults age 18-64.

The average total payment per purchase for Nexium (\$165.01) was higher than the average total payment for any other drug in the top five for adults in 2004. The lowest total average payment per drug purchase was for Zoloft (\$88.49). The average total payment per purchase for Prevacid (\$126.72) and Zocor (\$122.61) was higher than the average total payment for Lipitor (\$101.34).

During 2004, the average out-of-pocket payment per purchase was higher for Nexium (\$45.22) and Zocor (\$42.74) than for Prevacid (\$32.01), Lipitor (\$30.73), and Zoloft (\$29.43). There was no significant difference in the average out-of-pocket payment per drug purchase for Prevacid (\$32.01), Lipitor (\$30.73), and Zoloft (\$29.43).

In 2004, the top five household-reported prescribed medicines when ranked by annual expenditures for the elderly population age 65 and older included the following:

**2004 MEPS-HC prescribed medicines:
Top five prescribed medicines ranked by total expenditures
for the elderly age 65 and older**

Rank	Prescribed medicine name	Total dollars (in billions)	Average total payment per drug purchase	Average out-of-pocket payment per drug purchase
1	Lipitor	\$4.35	\$107.57	\$61.29
2	Zocor	\$2.44	\$118.24	\$61.40
3	Plavix	\$1.73	\$123.44	\$60.68
4	Norvasc	\$1.47	\$69.52	\$37.12
5	Nexium	\$1.46	\$159.59	\$109.12

In 2004, two cholesterol-reducing medicines, ranked first and second in terms of total expenditures for the elderly age 65 and older: Lipitor was first with \$4.35 billion, and Zocor was second with \$2.44 billion. Plavix, an antiplatelet drug, ranked third at \$1.73 billion, and Norvasc, a calcium channel blocker, ranked fourth at \$1.47. Rounding out the top five was Nexium, a proton-pump inhibitor, at \$1.46 billion. The combined expenditures for the top five drugs totaled \$11.4 billion and represented 17.5 percent of the \$65.2 billion of total drug expenditures for the elderly age 65 and older.

The average total payment per purchase for Nexium (\$159.59) was higher than the average total payment for any other drug in the top five for the elderly in 2004. The lowest total average payment was for Norvasc at \$69.52. Plavix had a higher total average payment (\$123.44) than Lipitor (\$107.57).

During 2004, the average out-of-pocket payment per purchase was highest for Nexium (\$109.12), and the lowest average out-of-pocket payment per purchase was for Norvasc (\$37.12). There was no significant difference in the average out-of-pocket payment per purchase for Lipitor (\$61.29), Zocor (\$61.40), or Plavix (\$60.68).

Definitions/Methodology

Age is the last available age for the sampled person. For most persons, this was their age at the end of the year.

The out-of-pocket category includes payments by user or family.

Expenditure rankings are based on drug name. Generic and brand name drugs with the same active ingredient are not combined into one category.

About MEPS-HC

MEPS-HC is a nationally representative longitudinal survey that collects detailed information on health care utilization and expenditures, health insurance, and health status, as well as a wide variety of social, demographic, and economic characteristics for the civilian noninstitutionalized population. It is cosponsored by the Agency for Healthcare Research and Quality and the National Center for Health Statistics.

For more information about MEPS, call the MEPS information coordinator at AHRQ (301-427-1656) or visit the MEPS Web site at <http://www.meps.ahrq.gov/>.

References

For a detailed description of the MEPS survey design, sample design, and methods used to minimize sources of nonsampling error, see the following publications:

Cohen, J. *Design and Methods of the Medical Expenditure Panel Survey Household Component*. MEPS Methodology Report No. 1. AHCPR Pub. No. 97-0026. Rockville, Md.: Agency for Health Care Policy and Research, 1997.

Cohen, S. *Sample Design of the 1996 Medical Expenditure Panel Survey Household Component*. MEPS Methodology Report No. 2. AHCPR Pub. No. 97-0027. Rockville, Md.: Agency for Health Care Policy and Research, 1997.

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AHRQ welcomes questions and comments from readers of this publication who are interested in obtaining more information about access, cost, use, financing, and quality of health care in the United States. We also invite you to tell us how you are using this Statistical Brief and other MEPS data and tools and to share suggestions on how MEPS products might be enhanced to further meet your needs. Please e-mail us at mepsdpd@ahrq.gov or send a letter to the address below:

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