Why do gene therapy treatments cost so much?

The first gene therapy treatment in the United States was <u>approved recently by the Food and Drug</u><u>Administration</u>, heralding a new era in medicine that is coming faster than most realize — and that perhaps few can afford.

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The therapies are aimed at extremely rare diseases with few patients; most are meant to cure with a single injection or procedure. But the costs...are expected to be astronomical, alarming medical researchers and economists.

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Drug makers have long argued that rising prices are necessary to support the costs of research and development. Yet a study published [recently] estimated the cost of <u>developing a new cancer drug to be</u> <u>far less</u> than many experts had believed, even as revenues have soared. The industry's warnings that without high reimbursements, the field of gene therapy will wither is "the classic story of the boy who cried wolf," said [Dr. Peter B. Bach, director of the Center for Health Policy and Outcomes at Memorial Sloan Kettering Cancer Center.]

Development costs are already mitigated by special economic incentives for orphan drugs, he noted, including a 50 percent tax credit on the costs of research and development, among others. And once a company creates a delivery system — say, a modified virus to deliver a gene into a cell — it can be used over and over again to create a variety of treatments.

The GLP aggregated and excerpted this blog/article to reflect the diversity of news, opinion, and analysis. Read full, original post: <u>New Gene-Therapy Treatments Will Carry Whopping Price Tags</u>