

Drug Pricing Differentials Across Therapy Areas in EU4, UK, and US

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OBJECTIVES

Evaluate launch prices of high-revenue drugs across the EU4, UK, and US to identify patterns in cross-market price differentials.

METHODS

This analysis examines launch pricing for high-revenue drugs across six key markets: the United States, France, Germany, Italy, Spain, and the United Kingdom. The selection includes 24 therapies with the highest global revenues from 2020 to 2023 that were commercially available in all included markets. To evaluate price differentials, annual ex-manufacturer launch prices across markets (list price) were benchmarked against US WAC pricing. The study does not account for confidential net discounts. Further segmentation was conducted by therapeutic area, orphan designation, and biologic status.

Highest global revenue between 2020 to 2023
(commercially available in the US, Canada, EU4 and the UK)

DRUGS SELECTED FOR ANALYSIS

Drug Name	Primary Indication	US Launch Price Per Package* (\$)
Humira	Rheumatoid arthritis	\$ 1,258.56
Keytruda	Melanoma	\$ 2,158.00
Eliquis	Nonvalvular atrial fibrillation	\$ 417.28
Biktarvy	HIV	\$ 2,945.65
Revlimid	Myelodysplastic syndrome	\$ 47.26
Stelara	Plaque psoriasis	\$ 4,663.00
Eylea	Wet age-related macular degeneration	\$ 1,850.00
Opdivo	Melanoma	\$ 959.20
Dupixent	Atopic dermatitis	\$ 2,846.16
Darzalex	Multiple myeloma	\$ 1,800.00
Trikaftra/Kaftrio	Cystic fibrosis	\$ 2.84
Trulicity	Type 2 diabetes	\$ 488.32
Xarelto	Venous thromboembolic events	\$ 675.00
Skyrizi	Plaque psoriasis	\$ 14,750.00
Ibrance	HR-positive, HER-2 negative breast cancer	\$ 4.69
Enbrel	Rheumatoid arthritis	\$ 6.29
Cosentyx	Plaque psoriasis	\$ 3,420.00
Imbruvica	Mantle cell lymphoma	\$ 8,200.00
Lucentis	Wet age-related macular degeneration	\$ 1,950.00
Jardiance	Type 2 diabetes	\$ 300.88
Rinvoq	Rheumatoid arthritis	\$ 4,916.67
Avastin	Colorectal cancer	\$ 550.00
Epclusa	Hepatitis C	\$ 24,920.00
Zolgensma	Spinal muscular atrophy	\$ 2,125,000.00

Table 1. US wholesale acquisition cost (WAC) for drugs selected
*Package price was determined by earliest launch date

RESULTS

The analysis reveals substantial variation in launch prices of high-revenue drugs between the US and European markets. On average, drug prices in France, Germany, Italy, Spain, and the UK were 40%, 40%, 35%, 40%, and 51% lower than in the US, respectively. The UK consistently had the largest average price differential, with 13 drugs priced more than 50% below US WAC pricing. While most therapies followed this trend of lower European pricing, a notable exceptions includes Opdivo, which was significantly more expensive in France, Italy and Spain compared to the US.

Drug Launch Price Differentials between the US, EU4 and UK

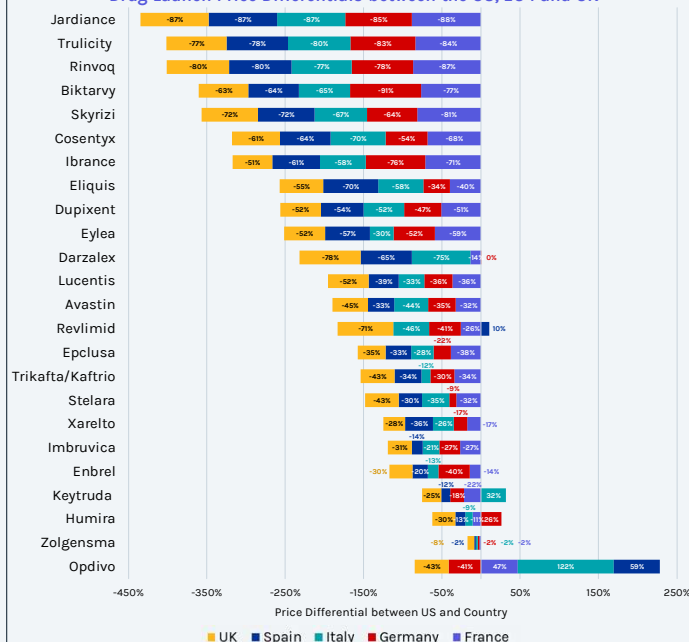


Figure 1. Percent launch price differentials for selected drugs in the US, EU4 and UK (US WAC price as baseline)

Price Differentials by Biologic Status Relative to US

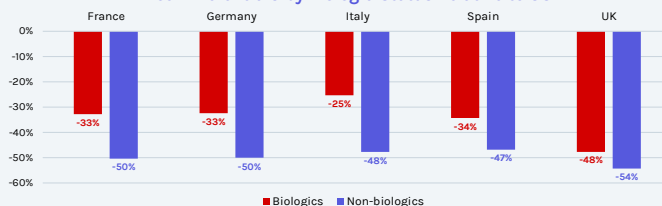


Figure 2. Percent launch price differentials by biologic status in the US, EU4 and UK (US WAC price as baseline)

Sub-analyses

A sub-analysis by biologic status reveals a consistent pattern of greater price differentials for non-biologic drugs compared to biologics across all five European markets. On average, biologics were priced 25 - 48% lower than in the US, with the UK showing the largest disparity at -48%. In contrast, non-biologics exhibited larger differentials, ranging from -47% in Spain to -54% in the UK. This suggests that biologics may retain relatively stronger pricing power, potentially due to their perceived clinical value, competition, and market demand. Additional analyses by orphan status and therapeutic area did not reveal any meaningful trends.

CONCLUSIONS

Differences in launch pricing between the US and European markets demonstrate the intricate interplay between regulatory frameworks, market dynamics, and strategic considerations by pharmaceutical manufacturers. While the US permits free pricing at launch, enabling manufacturers to anchor high list prices, most European countries impose price regulation through health technology assessments (HTA), value-based frameworks, and, in many cases, external reference pricing (ERP). These tools constrain manufacturer price flexibility and contribute to the consistently lower launch prices observed across the EU4 and UK.

The differential impact on biologics and non-biologics is also noteworthy. Biologics are often developed for specialized or rare diseases with smaller patient populations and limited competition, which can support relatively higher launch prices. However, the introduction of biosimilars has started to erode this advantage, leading to significant price reductions.

It is also important to recognize that list price alone may not reflect the true cost of access across markets. The use of confidential discounts, managed entry schemes, and risk-sharing agreements, especially in Europe, means that list prices may diverge significantly from net prices. This limits the interpretability of comparisons based solely on launch WAC or list price and underscores the importance of viewing these figures as directional within a broader access strategy.

FUTURE IMPLICATIONS

Amid increasing payer pressure to demonstrate value, manufacturers must invest early in real-world evidence strategies that generate outcomes meaningful to payers and support favorable access and reimbursement decisions. At the same time, a nuanced understanding of local pricing and access dynamics is essential to inform market prioritization and global launch decisions. Given the implications of ERP, careful sequencing is critical to preserve list price potential across markets, particularly in the context of net price negotiations and indication expansions.

REFERENCES

- GlobalData. (n.d.). Drug Pricing (POLI) & HTA. [Pricing Data]. D&B Hoovers. <https://poli.globaldata.com/>