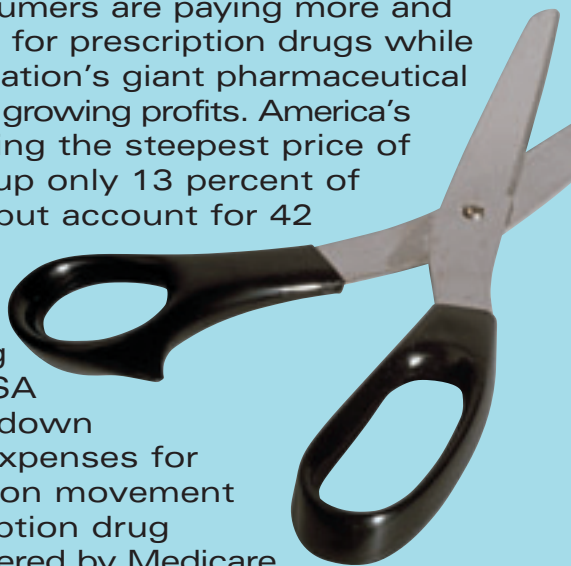


## DRUG MONEY

**U.S.** consumers are paying more and more for prescription drugs while the nation's giant pharmaceutical industry pockets growing profits. America's seniors are paying the steepest price of all: They make up only 13 percent of the population but account for 42 cents of every prescription drug dollar spent, according to a Families USA study. To drive down out-of-pocket expenses for seniors, the union movement backs a prescription drug benefit administered by Medicare for all seniors. A Kaiser Family Foundation study shows that Medicare participants who do not have prescription drug coverage pay 83 percent more for their medicines than those with coverage.



## Drug Company Profits Skyrocket

While consumers pay increasingly more for their prescription drugs, between 1991 and 2001 the drug industry was the most profitable in the United States, according to figures from *Fortune* magazine.

### Pharmaceutical Industry Fortune 500 Ranking

Year	Return on Revenues <sup>1</sup>		
	Drug Industry		Fortune 500 Median % Return <sup>2</sup>
	Rank	% Return	
2001	1	18.5	3.3
2000	1	18.6	4.5
1999	1	18.6	5.0
1998	1	18.5	4.4
1997	1	16.1	4.9
1996	1	17.1	5.0
1995	1	14.4	4.8
1994	1	16.1	4.6
1993	1	12.5	2.9
1992	1	11.5	2.4
1991	1	12.8	3.2

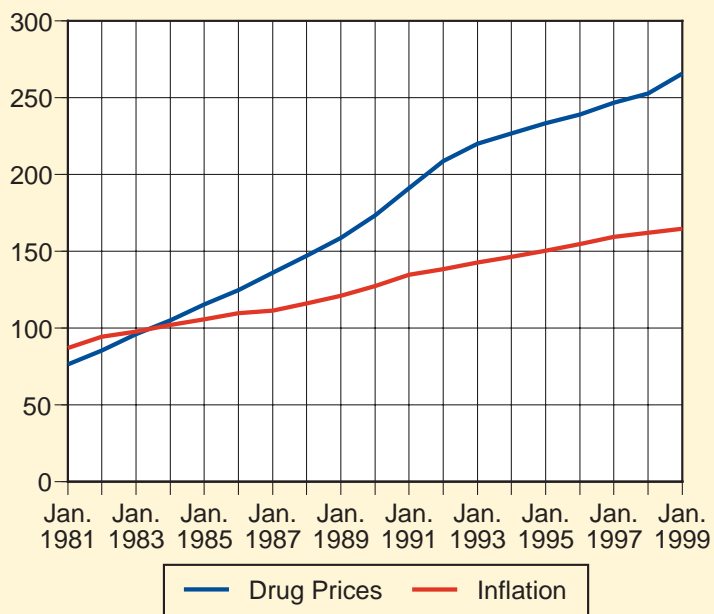
Source: Families USA. Data from *Fortune* magazine's annual rating of the industries, 1992-2002.

<sup>1</sup> Prior to 1993, return on sales.

<sup>2</sup> Median return on revenues for all Fortune 500 companies.

## Drug Prices Climb Faster Than Inflation

Data from the Bureau of Labor Statistics show the price of drugs and medical supplies grew more than 1.5 times faster than inflation.



## Profiting from Pain: Where Prescription Drug Dollars Go

In Canada, where government price controls strike a balance between the costs of prescription drugs for consumers and profitability for drug makers, prescription drugs are far more affordable than in the United States. A comparison of five of the most prescribed medications shows why more U.S. consumers are shopping for their medicines in Canada.

### U.S. and Canadian Rx Drug Prices

Drug Name	Prescribed for	Common Dosage	U.S. Price	Canadian Price
Celebrex®	Arthritis relief	200 mg/30 caps.	\$77.99	\$45.78
Glucophage®	Diabetes mellitus	500 mg/90 tabs.	65.99	37.80
Plavix®	Risk of stroke	75 mg/60 tabs.	200.99	118.44
Tamoxifen	Breast cancer	10 mg/180 tabs.	287.16	38.25
Zocor®	High cholesterol levels	20 mg/30 tabs.	116.99	70.98

Compiled by the Alliance for Retired Americans.

Sources: Canadian drug prices obtained from the Canadian Drugstore Inc., and canadameds.com. American drug prices obtained from CVSpharmacy.com and www.drugstore.com.