



KEY FINDINGS: “THE VALUE OF OTC MEDICINE TO THE UNITED STATES”

Over-the-counter (OTC) medicines: Providing solutions for America’s healthcare challenges

- + The availability of OTC medicines creates significant value for the U.S. healthcare system – \$102 billion in annual savings relative to alternatives. OTC medicines provide two key sources of avoided cost:
 - \$77 billion in clinical cost savings (avoided doctor’s office visits and diagnostic testing); and
 - \$25 billion in drug cost savings (lower-priced OTCs versus higher-priced prescription medicines).
- + For every dollar spent on OTC medicines, the U.S. healthcare system saves \$6 to 7.
- + The total value of OTC medicines is captured throughout entire U.S. healthcare system:
 - \$52.7 billion in value for employer sponsored health plans
 - \$27.5 billion in value for government programs (Medicare and Medicaid)
 - \$21.7 billion in value for self-insured and uninsured populations
- + The availability of OTC medicines – off the shelf, without a prescription – provides symptomatic relief for an estimated 60 million people who otherwise would not seek treatment.
 - The annual retail sales of OTC medicines to these 60 million consumers are \$4 billion. This figure is the direct value of increased access provided by OTC medicines.
- + Without affordable and accessible OTCs, underserved populations would depend more heavily on the highest-cost medical care for minor ailments.
 - 1 in 4 Medicaid patients and 1 in 10 uninsured individuals would seek treatment in an Emergency Department as their first recourse for treatment.
 - Additional Emergency Department visits, primarily by patients on Medicaid and uninsured individuals, will drive up nearly \$4 billion in healthcare costs to the system each year.
- + By keeping the American workforce healthy and at work, OTC medicines offer \$23 billion in potential productivity benefits from avoided doctor’s office visits and time not having to be away from work for medical appointments.
- + “Caregiver moms” miss twice as many days of work annually to care for sick children as they do to care for themselves. This number would be higher if parents did not have OTC medicines to help children avoid missing school.
- + Nearly one-third of the \$102 billion in annual savings is for consumers treating cough/cold and flu symptoms.

About the Study

- + This study examines the value of OTC medicines in seven categories relative to potential alternatives, such as consultations with healthcare professionals for self-recognizable symptoms and/or prescription medicines.
- + The seven categories include the most common acute and chronic, self-treated conditions representing the majority of OTC medicine purchases: allergy, analgesics, anti-fungals, cough/cold/flu, lower and upper gastrointestinal, and medicated skin.
- + In addition to consulting published data sets and economic modeling, the study firm surveyed 3,200 consumers on how they would treat symptoms if OTC medicines did not exist.
- + This study was conducted by Booz & Co. and funded by the Consumer Healthcare Products Association (CHPA).

About Your Health at Hand

- + “The Value of OTC Medicine to the United States” is a part of CHPA’s *Your Health at Hand* initiative. For millions of Americans, OTC medicines are a trusted and affordable way to get well, stay well, and feel well. Families reach for OTC medicines to relieve symptoms associated with common, everyday ailments associated with pain, cold, allergies, heartburn, and various skin conditions, among others. In today’s healthcare environment, it is important that consumers—as well as healthcare professionals, policymakers, and researchers—appreciate and promote the value and solutions OTC medicines provide. In June 2011, CHPA launched *Your Health at Hand* to highlight the benefits of OTC medicines, including:
 - Access to conveniently available 24/7 for busy families and caregivers;
 - Affordability for both consumers and the healthcare system;
 - Empowerment for individuals and families to meet their everyday healthcare needs; and
 - Trust in safe and effective healthcare options.
- + For more information on *Your Health at Hand*, please visit: www.YourYealthAtHand.org.

The Consumer Healthcare Products Association (CHPA) is the 131-year-old-trade association representing U.S. manufacturers and distributors of over-the-counter medicines and dietary supplements. www.chpa-info.org.