

# Generic Drugs vs. Brand-Name Drugs

## JUST THE FACTS

*Knowing the basics about medications can help you make informed decisions about your health*

For many people, choosing a brand-name over a generic drug has little to do with treatment or cost. It's usually based on several common untruths. Though generic drugs can cost a lot less than brand-name options, there is often concern about quality, safety and effectiveness.

### Separating fact from fiction



vs.



#### 1. What are generic drugs?

When a brand-name drug's patent protection expires, generic versions of the drug can be approved for sale. The U.S. Food and Drug Administration (FDA) requires generic drugs to be the same as brand-name drugs in:

- Active ingredients
- Purity
- Safety
- How they work
- Strength
- How they are taken
- Quality
- How they should be used

#### 2. Are generic drugs as safe as brand-name drugs?



**Yes.** The FDA states that all drugs must work well and are safe. Generic drugs use the same active ingredients as brand-name drugs and work the same way. They also have the same risks and benefits as brand-name drugs.

#### 3. Why do they look different?



United States trademark laws do not allow generic drugs to look exactly like brand-name drugs. This is why they are different in color, taste and other elements. It does not affect the way the drugs work.

*(continued)*

### Fast RX facts

8 in 10 prescriptions filled in the U.S. are for generic drugs.



On average, the cost of a generic drug is 80% to 85% lower than the brand-name drug.

Generic drugs save consumers an average of \$8 to \$10 billion a year at retail pharmacies. Even more billions are saved when hospitals use generics.



Source: FDA [www.fda.gov](http://www.fda.gov)



#### 4. Does every brand-name drug have a generic drug?

**No.** When companies make new drugs they have patents that protect them up to 17 years. Patents forbid anyone else to make and sell the drug. Once a patent expires, other drug companies can then start selling the generic version of the drug. They must test the drug and the FDA must approve it first before it goes to market.



#### 5. Do generic drugs take longer to work?

**No.** Generic drugs will work in your body the same way and in the same amount of time as brand-name drugs.



#### 6. Why are generic drugs less expensive?

Making drugs costs a lot of money. Since generic drug makers do not make a drug from scratch, the costs to bring it to market are much less. But they must prove their product performs the same way as the brand-name drug. All generic drugs are approved by the FDA.

**Note:** Please consult your *Evidence of Coverage* booklet for more information on your covered prescription drug benefits.

