Price Comparison for Brand Name Drugs Purchased through the Internet from Canada- and U.S.-based Pharmacies

What is the problem and what is known about it so far?
The costs of prescription drugs present a problem for many Americans. The prices of prescription drugs tend to be higher in the United States than in some other countries. Consequently, many Americans purchase prescription drugs from Canadian pharmacies through the Internet. However, no study has systematically quantified the amount of savings that Americans can achieve by purchasing prescription drugs in this manner.

Why did the researchers do this particular study?
The researchers wanted to compare Canadian and American pharmacy retail Internet prices of major brand-name prescription drugs.

Who was studied?
12 highly rated Canadian Internet pharmacies and 3 major American pharmacy chains that sold prescription drugs through the Internet.

How was the study done?
On December 4, 2004, the researchers collected information on the prices that each pharmacy charged for 44 common brand-name prescription drugs. They converted all prices to costs per year.

What did the researchers find?
Forty-one of the 44 drugs studied were less expensive at Canadian pharmacies than at American pharmacies. All 3 drugs that were more expensive in Canada were drugs for erectile dysfunction (impotence). The researchers estimated that Americans can save approximately 24% if they purchase their prescription drugs from Canada. The drugs that had the largest yearly savings were Zyprexa (olanzapine, Eli Lilly, Indianapolis, Indiana; $1159 U.S. savings per year), Actos (pioglitazone, Eli Lilly; $853 U.S. savings per year), and Nexium (esomeprazole, AstraZeneca, Wilmington, Delaware; $772 U.S. savings per year). The researchers did not include shipping fees. The maximum shipping fees were $60 U.S. per year.

What were the limitations of the study?
These findings were from December 2004. Savings might vary over time with changes in supply and demand.

What are the implications of the study?
Americans can save money by purchasing prescription drugs from Canadian Internet pharmacies.