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## Coronavirus spending: an expense — or an investment?

By Jessica Sagers

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In the context of a looming global pandemic, what does it mean to invest in public health?

At a White House meeting this week, President Donald Trump [convened key biopharmaceutical industry leaders](#) to advance the development of effective treatments and vaccines to combat the new coronavirus. The industry has responded to this global challenge [in unprecedented ways](#): Moderna identified a promising vaccine candidate just 42 days after the virus was sequenced, the fastest turnaround in history. Gilead's drug [remdesivir](#), developed (and abandoned) in response to the Ebola outbreak, was resurrected to treat the first U.S. Covid-19 patient and will enter Phase 3 trials in China in a matter of weeks. Other companies, like Regeneron, Inovio, and CureVac, have also jumped into the race.

Is it important that the U.S. is prepared for a pandemic? It feels that way now, as Covid-19 threatens to tank our economy and overwhelm our hospital systems. But public health didn't feel like a priority two years ago when Trump [fired the CDC's pandemic response team](#) without replacing it. And it certainly didn't feel like a priority last year when bills like H.R. 3 proposed [shaving \\$1 trillion from the biotech sector](#), which would have crippled its ability to function at its current capacity.

Here's something most people don't understand: the American biopharmaceutical industry is flourishing. And it is precisely because this industry is flourishing that drug companies can respond to this new global threat with unprecedented speed and precision.

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[The coronavirus exposes our health care system's weaknesses. We can be stronger](#)

Maintaining a biotech sector that consistently leads the world in finding scientific advancements for human health is good for all of us.

In the context of this election season, it is especially important to stress that sustaining this level of productivity does not have to mean placing an outsized burden on patients. Out-of-pocket costs for drugs are not some immutable part of our system etched into stone on the mountain of health care economics: they were invented by insurance companies and we can do away with them.

This week, New York governor Andrew Cuomo [issued a directive](#) mandating that insurance companies in his state could not engage in cost-sharing for health care expenses associated with Covid-19, essentially rendering testing and follow-up costs free to patients at the point of care. It would be entirely possible for us to expand that directive nationwide in the same way we prevented insurance companies from discriminating based on pre-existing conditions: as a society we decided that the practice was unethical, and Congress passed the Affordable Care Act.

The burden is on us as a nation to make conscientious investments. We spent [\\$61 billion](#) on out-of-pocket drug costs in 2018, along with [\\$254 billion](#) on alcoholic beverages and [\\$800 billion](#) in health care-associated administrative costs, including chasing after unsuspecting patients to pay surprise medical bills.

We have the money to lift the cost-sharing burden from patients while maintaining scientific productivity.

So let's not ask "What's the right price for a coronavirus drug?" Because this isn't about any particular drug. Some therapies will fail as we race toward controlling Covid-19, but that doesn't mean they're bad investments — like Gilead's remdesivir, they may someday be recycled to fight the next global crisis. This is about making a conscientious investment in maintaining the system that allows us to intervene to head off crises like Covid-19 and its successors.

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### [\*\*A coronavirus vaccine should be for everyone, not just those who can afford it\*\*](#)

Inventing a successful drug means investing in the future. By treating conditions that would otherwise result in expensive hospital stays and costly medical management, effective drugs save our system massive amounts of money every year. And though drug prices may seem high at launch, drugs go generic [after patents expire](#), with most becoming available to patients at far more affordable prices once competitors enter the market, saving untold sums for the rest of time. These savings are easy to overlook because it's impossible to talk about the costs we have avoided — they don't exist, so we can't dispute them.

After we conquer Covid-19, we shouldn't just move on and forget the level of biotech industry hustle that got us there. We should move to protect patients from out-of-pocket costs, and then we should be asking this: "What's the most reasonable amount a prosperous society like ours should put aside for drug development even when there's no looming crisis?"

When you put it that way, the [1.3% of gross domestic product](#) our country spends on branded drugs seems like a bargain.

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