

Study Shows Declining Prices for Major Implantable Devices

AdvaMed

Results Reflect Competitive Medical Technology Marketplace

The Advanced Medical Technology Association (AdvaMed) today released a new study on pricing trends for implantable medical devices that shows average prices have declined significantly for major categories of implantable medical devices from 2007 through 2011.

“These average pricing declines reflect the intensely competitive marketplace for medical technology and underscore the tremendous value devices and diagnostics provide to patients and the overall health care system,” said Stephen J. Ubl, president and CEO of AdvaMed.

From 2007 to 2011, the seven largest categories of implantable medical devices saw substantial declines in average selling prices paid by hospitals on both a nominal and inflation-adjusted basis.

Declines in average inflation-adjusted prices ranged from 17 percent to 34 percent, depending on device type. They include implantable defibrillators (24 percent), cardiac resynchronization therapy defibrillators (26 percent), pacemakers (26 percent), artificial hips (23 percent), artificial knees (17 percent), drug-eluting stents (34 percent), and bare metal stents (27 percent).

On a nominal basis (not adjusted for inflation) the price declines ranged from 5 percent to 25 percent, depending on the device category. The research was conducted by Analysis Group, Inc., on behalf of AdvaMed. A copy of the study can be found [here](#) [1].

“These results reaffirm [previous findings](#) [2] that medical technology prices overall have remained consistently low for 20 years, growing at less than half the rate of prices in the overall economy – or at an average annual rate of 1 percent over the period compared to 2.7 percent for the overall CPI and 4.7 percent for the Medical Care CPI. It’s important to note that spending on advanced medical technology makes up a consistently small and stable 6 percent of national health expenditures,” Ubl said.

“Even as innovation and job creation in the industry remain under threat from the medical device tax and repeated reimbursement cuts impacting diagnostic lab tests, imaging services and durable medical equipment in particular, old-fashioned competition continues to ensure the strong value proposition of advanced medical technologies that save lives and improve patients’ quality of life every day.

Study Shows Declining Prices for Major Implantable Devices

Published on Medical Design Technology (<http://www.mdtmag.com>)

“We look forward to sharing the results of this new study with members of Congress and other policymakers as they consider changes to the health care delivery and payment system,” Ubl said.

Source URL (retrieved on 10/25/2014 - 3:08pm):

<http://www.mdtmag.com/news/2013/09/study-shows-declining-prices-major-implantable-devices>

Links:

[1] <http://advamed.org/res/365/recent-average-price-trends-for-implantable-medical-devices>

[2] <http://www.lifechanginginnovation.org/reports/estimates-medical-device-spending-united-states-0>