Course Introduction
How can something the size of a Tic-Tac cost $5,000? Have you ever wondered if Lipitor™ really is right for you? Don't ask your doctor - ask us! This course will bring to light the hidden side of the pharmaceutical industry in America by lifting the veil on the behind-the-scenes research, production, clinical trials, advertising, and distribution processes. Through topical examples combined with academic case studies, students will become both empowered and critical consumers.

Grading
This is a Pass/Fail course. If the coursework is completed on time and shows an investment in and appreciation of the material, this course will be easy to pass.

Weekly Responses- Each week we will cover a different subtopic with short readings assigned for students to complete before class. A short (300 word) response to each week’s reading will be due each Tuesday night by midnight, so that students’ feedback may be incorporated into the Wednesday class. (35%)

Papers- There will be two papers assigned over the course of the semester designed to allow students to “take a side” on two of the more controversial aspects of the material. Prompts will be provided in class and via Trunk. Students may also write on a different class-related topic if they obtain approval in advance. (40%)

Final project- The course will culminate in a group project “case study,” where students will be asked to work together to synthesize everything they have learned and formulate a plan to bring to market and promote their own drug. (15%)

Participation- Attendance and active participation in class discussion are expected. Keeping up and engaging with the material will give students the most out of this class. (10%)

Materials
Weekly readings will be posted to Trunk or distributed in class. Supplementary (non-required) material will also be available on Trunk if students are interested.

Please Note: The material is intended to be accessible to students of all majors, academic backgrounds, and class years. You do not need to be an economics major to understand the pricing models we’ll discuss, nor do you need to be a political science major to
understand the role of FDA regulation or on-the-hill lobbying on the pharmaceutical industry. If you feel that we are not properly explaining foundational ideas- or that we are spending too much time on basic concepts –please let us know! Feedback over the course of this semester is highly encouraged and will only help us lead a better course for you and your classmates.

How to Sell Drugs: the Economics of Big Pharma
Syllabus Spring 2016

Week 1: Introduction to Big Pharma
M, January 25
• Course Introduction
• Meet and Greet
• Fast facts about the pharma industry

W, January 27
• Continue general introduction
• Big Players: Market shares, profits, and more

Readings and Resources
• Kelley Business School overview of the industry

Week 2: Direct-to-Consumer Advertising
M, February 1
• Introduction to DTCA
• Role of the media in patient-doctor interactions

W, February 3
• Screening: Big Bucks, Big Pharma (documentary)
• Discuss arguments for/against

Readings and Resources
• Kaiser Foundation Analysis: Impact of DTCA on Prescription Drug Spending
• Expert weigh-in via Frontline (PBS)

Week 3: The Role of Doctors
M, February 8
• Doctor-targeted advertising (“detailing”)

W, February 10
• Off-label prescribing

Readings and Resources
- Article about the importance & effect of doctor detailing
Week 4: From R&D → Patent Protection
No class Monday 2/15- President’s Day

W, February 17
• Drug development, from lab bench to drugstore counter

Th, February 18 (Monday schedule)
• Possible guest speaker

Readings and Resources
- Paper estimating the costs of the drug development process

Week 5: Drug Pricing

M, February 22
• Process of pricing drugs
• Drug Abacus demonstration

W, February 24
• Alternatives to current drug pricing system
• Pros & cons of each

Readings and Resources
• Daraprim scandal article
• Online app called the “Drug Abacus” for class demonstration

Week 6: FDA Regulations

M, February 29
• FDA safety regulations
• Original (brand-name) vs. generic

W, March 2
• FDA advertising regulations
• Black-box labels

Readings and Resources
• FDA advertising regulation information for consumers
• Examples of correct & incorrect drug ads here

Week 7: Safety vs. Profits

M, March 7
• Discuss trade-off between the two in terms of determining market entry, length of safety/efficacy testing, and when to begin advertising

W, March 9
• Screening: Money Talks (documentary)

Readings and Resources
• “Concerns About Clinical Drug Trials” article
• Vioxx, the implosion of Merck, and aftershocks at the FDA article

Week 8: Prescription Drug Tourism

M, March 14
• Policy and health implications in the transport of legal pharmaceuticals across the US-Mexican and US-Canada borders

W, March 16
• International Policy and Health Implications of Drug Tourism
Readings and Resources

• Drug policies on the US-Mexican Border
• International prescription drug movements, policies, and health implications

Week 9: Big Pharma on the Hill
M, March 28
• Discuss lobbying & political actions often undertaken by pharmaceutical companies
W, March 30
• Role of pharma companies in passing of Obamacare

Readings and Resources
- America’s Bitter Pill by Steven Brill, selected sections

Week 10: Medicare & Medicaid Pricing Schedules
M, April 4
• Introduction to the government’s interaction with Big Pharma
W, April 6
• Discussion of possible alternatives to current system

Readings and Resources
• Pharmaceutical pricing summary (public & private sectors)

Week 11: Generic vs. Brand-Name Drugs
M, April 11
• History of generic competition (Hatch-Waxman)
• Differences in strategies, marketing, and pricing
W, April 13
• Pay-for-delay and the economics of generic entry

Readings and Resources
- "Authorized Generic Drugs, Price Competition and Consumers' Welfare"
academic paper

Week 12: Heroin Epidemic in Massachusetts
Patriots’ Day- No class Monday 4/18
W, April 20
• Current drug epidemic & possible causes
• Introduction of naxolone and policy changes

Weeks 13 & 14: Case Study Activity: Building on the Semester
Students will be divided into small teams. Each team will be given a different scenario (introducing a new drug, marketing an existing drug, dealing with generic entry, etc.) and will have two class periods to develop a strategy for their business. Teams will give a 15-minute presentations during the last class of the semester.
M, April 25 & W, April 27
• Scenario assignments & in-class group work
M, May 2
• In-class presentations