In 2014, national health expenditures are expected to exceed $3 trillion dollars in the U.S. as more people gain health insurance coverage under the Affordable Care Act (ACA). In this slowly recovering economy, health plan sponsors are seeking ways to reign in health care costs, while maintaining quality and access to care. New prescription drugs have emerged. Yet, nearly half of 133 million Americans with at least one chronic condition do not take their medications as directed. The problem of medication non-adherence reportedly costs the U.S. health care system up to $290 billion annually.

Dr. Roebuck will present highlights from three essays: (1) the value of medication adherence is estimated by measuring its offsetting effects on utilization of other health services; (2) the impact of adherence on worker absenteeism and short-term disability is also investigated; and (3) since patient cost-sharing is often cited as a key barrier to access, the price elasticity of demand for prescription drugs is measured to gain insight into whether or not Value Based Insurance Design (V-BID) represents a cost-effective tool for improving medication adherence.