

# College Students Face Rising Birth-Control Prices

*Drug Makers End Discounts Long Offered to School Clinics; Privacy vs. Parents' Insurance*

By ANNE MARIE CHAKER

COLLEGE STUDENTS returning to campus in a few weeks will be greeted by steep increases in one of the few items they have been able to buy cheap: birth control.

For years, drug companies sold birth-control pills and other contraceptives to university health services at a big discount. This has served as an entree to young consumers for the drug companies, and a profit center for the schools, which sell them to students at a moderate markup. Students pay perhaps \$15 a month for contraceptives that otherwise can retail for \$50 or more.

But colleges and universities say the drug companies have stopped offering the discounts, and are now charging the schools much more. The change has an unlikely origin: the Deficit Reduction Act signed by President Bush last year. The legislation aimed to pare nearly \$40 billion in spending on federal programs, from subsidized student loans to Medicaid. And among the changes was one that, through an arcane set of circumstances, created a disincentive for drug makers to offer school discounts.

The contraceptive prices offered to schools are now included in a complex calculation that determines certain Medicaid-related rebates that drug makers must pay to states. In this calculation, deep discount prices would have the effect

of increasing drug makers' payments.

Colleges and universities say the change is having a significant impact on their health centers and the students they serve. Prices have begun skyrocketing for many popular brands of birth control. Health centers are having to reconfigure their offerings and write new prescriptions. And college students are making some tough choices, such as switching to cheaper generic brands or forgoing their privacy in order to claim their pills on their parents' insurance.

The changes actually took effect earlier this year, but when it became clear to college health

providers that the economics were going to change, many of them stocked up on several months' worth of supply. Only lately has that cheaper supply begun petering out. Some students started seeing the steeper prices last spring and some are dealing with it now during summer sessions, while others won't see it until they return for the fall semester.

In recent months, at Michigan State University, East Lansing, the price of Ortho Evra, a birth-control skin patch by Johnson & Johnson, more than doubled to \$50 for a month's prescription from \$20 last year. At the University of Iowa in Iowa

City, Ortho Tri-Cyclen Lo, a low-estrogen pill also by J&J, rose to \$52 recently—from \$16 last year. The University of Texas at Austin now charges over \$50 for Organon Inc.'s popular NuvaRing, a monthly vaginal device, from \$12.

To save money, at the University of Iowa, about three-fourths of students on Ortho Tri-Cyclen Lo—a pill that has no generic form—have switched to a less-expensive option.

Such changes concern health professionals,  
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## Pricier Pills

The loss of birth-control discounts is having an impact:

- **Students** are switching to cheaper generic brands, which may come with a new set of side effects; turning to parents for insurance coverage; using other forms of birth control, such as condoms.
- **Schools face a loss** of income from reselling contraceptives; some are subsidizing prescriptions and adjusting their offerings.

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# Rising Birth-Control Prices on Campus

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who fear that switching is going to lead to unintended pregnancies by women who are less likely to consistently take a daily pill. "One of the seminal concepts in contraceptive medicine is when a woman is using a method correctly and successfully, the last thing you want to do is change her from that," says Lee Shulman, board chairman of the Association of Reproductive Health Professionals. "You don't want to change her unless there is an absolute medical necessity to do so."

He says even switching from one type of daily pill to another can pose new risks for side effects and discomfort, potentially leading women to stop taking it.

Susan Maly, a 22-year-old student at the University of Iowa, says she struggled with switching pills recently. When she went to her college health center to get a refill on her Ortho Tri-Cyclen Lo prescription a few months ago, she was distressed to find out that it had gone up to \$54 from about \$18. Starting this month, she has switched to a cheaper generic pill that has higher levels of estrogen than the Lo brand.

"That was an issue for me," says Ms. Maly, but she says she will see how things work out for a couple of months. Initially, she says she felt some heartburn side effects from the new pill, but that has since gone away. She finds the dramatic price increase "unfair" to women who have come to rely on birth control, and feel comfortable with the brand they are on.

"This is the one thing that many females on campus are getting from student health," says Ms. Maly. "It felt like we were a target."

At drug maker Organon, Nick Hart, executive director for contraception, says, "On the one hand, it's a tremendous disservice to our customers, our young women." But he says that providing low-cost access to young consumers has to be balanced with "our fiduciary responsibility. It puts us in an untenable position."

A Johnson & Johnson spokeswoman said, "As a result of this new legislation," only institutions that qualify as "safety net" providers under the law will get the company's discounted prices. Safety-net

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*'We may see more unintended pregnancy,' says an American College Health Association official.*

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providers include certain facilities that serve low-income families. She added. "We are one of the lowest-cost providers of contraceptives to public health services."

Health professionals say it's particularly critical for college women to have access to cheap contraception. Two-thirds of college students reported having at least one sexual partner in the prior 12 months, according to a fall 2006 survey of over 23,000 students by the American College Health Association. Condoms have been available free on many campuses, and are considered the best form of contraception for preventing sexually transmitted infections.

"Maybe, if more people switch from hormonal methods to condoms, we may see a positive outcome of fewer STI's," says

Mary Hoban, a project director for the American College Health Association. "But from a contraceptive standpoint, we may see more unintended pregnancy. It's a double-edged sword."

More than 40% of sexually active college women reported relying on pills and other prescription forms of birth control, according to a fall 2006 survey of over 23,000 students by the American College Health Association.

"College women are at the highest risk for unintended pregnancy because they're sexually active, they're very fertile, and they are away from home," says Dr. Shulman, adding that students count on their health service for a host of reasons, from counseling to testing for sexually transmitted diseases, to birth-control prescriptions.

Many young women turn to their college health centers for these services because of the privacy it affords as much as the convenience and pricing. Theresa Spalding, medical director at UT Austin's University Health Services, says that "now, at the higher price, they are faced with having to decide, 'Do I involve my parents?'" in order to get insurance coverage.

College health centers also say the change threatens to lessen the quality of service they can provide, since the price hikes have eaten into the profits that they make. Pamela Houle, administrative director for the health center at Skidmore College in Saratoga Springs, N.Y., says she now subsidizes each NuvaRing by about \$4. "Previously, we were making \$17 a ring." That may mean fewer educational resources and materials down the line, she says.