



# Action To Fight Superbugs Needed Now To Protect Health, Save Lives, And Reduce Medicare And Medicaid Spend



Rise in drug-resistant bacteria and other pathogens undermines medical advances, risks and takes lives, and adds billions to Medicare and Medicaid spending. Action is needed now to improve our ability to fight superbugs.



**Resistance to antibiotics grows every time we use an antibiotic to cure an infection.** As drug resistance grows, our arsenal of medicines to treat and cure infections has dwindled and the pipeline of new treatments is sparse. **Antimicrobial resistance (AMR) already causes more than 35,000 deaths every year in the US,** lengthens hospital stays, and makes cancer treatment, organ transplants, and even routine surgeries like cesarean sections and joint replacement riskier. COVID-19 only made the situation worse. **Everyone is at risk of developing an infection.** Infection can often develop in healthcare settings –after a surgery or relating to use of a catheter, central line, or ventilator—or from exposure in the community.

In 2020, the US experienced a **15 PERCENT INCREASE in AMR infections and deaths.** Treating people who acquired AMR infections in healthcare settings cost **\$5.8 BILLION in direct medical care** and another **\$7.2 BILLION in economic losses a year.** By 2037, the annual costs for Medicare and Medicaid directly attributable to AMR infections will add **\$1.2 to \$2.2 BILLION to healthcare spending** and another **\$1.3 to \$8.7 BILLION in losses** to the economy from excess deaths.\*

**So, what could we face if we do not act to restock our arsenal of antibiotics and antifungals?** Even assuming that vigorous infection prevention and control efforts manage to keep the infection rates the same, the growth in the number of drug-resistant, hospital-acquired infections will be devastating, with more deaths and higher costs.

## HUMAN AND ECONOMIC TOLL OF INCREASE IN RESISTANT INFECTIONS FOR MEDICARE AND MEDICAID ANNUAL COSTS BY YEAR 2037

(HOSPITAL-ACQUIRED ONLY, 2023\$)

Annual Human & Economic Impact	No Increase in Rate of Drug-Resistant Infections	If 1 in 4 Infections Are Drug-Resistant	If 1 in 2 Infections Are Drug-Resistant	If All Infections Are Drug-Resistant
<b>Additional AMR-Caused Deaths</b>	1,624	10,916	13,584	16,699
<b>Extra Days in Hospital</b>	341,181	646,578	1,293,156	2,586,311
<b>Direct Medical Added Costs</b>	\$1.2 billion	\$2.2 billion	\$4.5 billion	\$9 billion
<b>Added Costs from Excess Mortality</b>	\$1.3 billion	\$8.7 billion	\$10.9 billion	\$13.4 billion
<b>Total Costs</b>	<b>\$2.5 billion</b>	<b>\$11 billion (4x increase)</b>	<b>\$15.4 billion (6x increase)</b>	<b>\$22.4 billion (9x increase)</b>

\* Data based on model simulation by GlobalData Plc. Assumes prevention efforts maintain rate of hospital-acquired infections, but the number of those infections that are resistant to known treatments increases.

## What Can Be Done?

Simply put, we need new medicines to treat infections. Additional policy reforms are needed to create a more sustainable environment for antimicrobial R&D and commercialization, and ensure a robust pipeline for future treatments. The **PASTEUR Act** would help achieve this goal by creating a novel payment mechanism to ensure a return on investment for high-need antimicrobials. Payment reform, which would address reimbursement barriers in the inpatient bundled payment system in Medicare, would also make a meaningful difference.