core benefits

NAVACORD

Brand vs. Generic Drugs

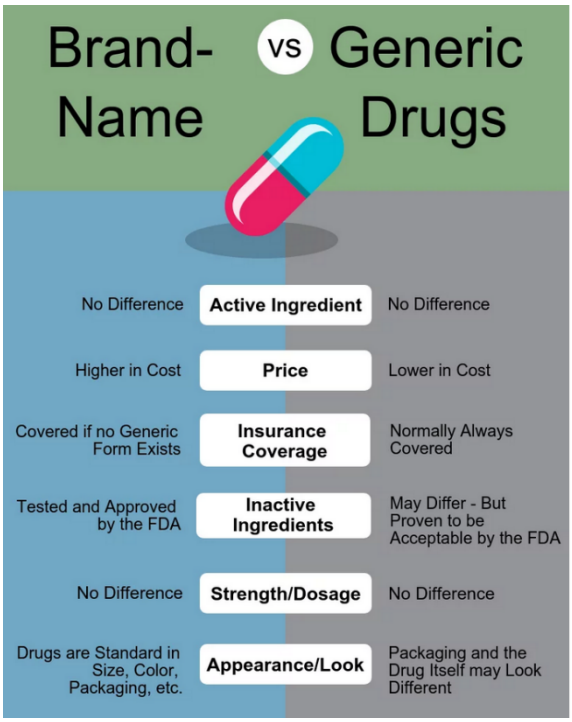
Generic medications must meet the same quality, strength, and purity standards as brands, so they have the same benefits and effects. Brands and generics don't look exactly alike (color, size, shape, packaging), but they work the same and they will save you money!

Brand Name Drugs

- Also called “innovator drugs”
- Initially marketed as new chemical entities
- First version sold by the innovator manufacturer is known as the Canadian Reference Product

Generic Drugs

- Copies of brand name drugs
- Produced after the original patent expires



Are generic and brand name drugs the same?

Generic and brand name drugs have identical active ingredients, and generic drugs must meet Health Canada’s standards for bioequivalence.

Bioequivalent drug formulations have the same bioavailability; that is, the same rate and extent of absorption. New drug formulations must meet standards set by Health Canada. If the generic drug is bioequivalent, it is assumed that it will produce the same therapeutic effect as the brand name drug. This means that new clinical studies are not needed for generic drugs.

How are generic and brand name drugs different?

Although the active ingredients are the same, the excipients (inactive ingredients) may differ. This is only important in rare cases when a patient has an allergy or sensitivity to one of the excipients.

The product may also be slightly different in colour, shape, or markings.

The biggest difference is cost. Generic drugs are generally less expensive than brand name comparators.

Brand vs. Generic Drugs

Why do generic drugs cost less?

Generic drug companies don't have the expense of researching and developing a new chemical entity.

There is usually competition among generic drug manufacturers.

What makes generic and brand name drugs interchangeable?

Interchangeability is not the same thing as bioequivalence. Health Canada determines bioequivalence based on comparative bioavailability studies. Each province or territory determines interchangeability based on its own policies or regulations.

What about biologics?

Biologics are a class of drugs derived through the metabolism of living organisms, rather than being synthesized in a laboratory.

Subsequent entry biologics (SEBs) are new versions of biologics that come to the Canadian market after the patent for the original product has expired. Unlike generic drugs, SEBs are not equivalent to the innovator drug because their chemical characteristics cannot be precisely duplicated during the manufacturing process.

Health Canada reviews each SEB as if it were a new drug. It does not consider an SEB to be bioequivalent or interchangeable with the innovator product.

Considerations for biosimilars?

A biosimilar is a biologic drug that is highly similar to a biologic drug that was already authorized for sale.

Health Canada authorizes biosimilars for sale using the same rigorous regulatory standards for quality, efficacy and safety as for all other biologic drugs.

Bottom Line:

- Generic and brand name drugs are bioequivelant.
- No clinically important differences have not been reported in well-controlled trials.
- Generic drugs create significant cost savings.
- Biosimilars can provide cost savings, but cannot be substituted without physician approval.