

The Pricing Signals Behind Oncology Drug Shortages

Oncology drug shortages may have an early pricing signal: deeper declines in average sales price (ASP).



Recognized as a [top 5% poster at ISPOR Europe 2025](#), an analysis of 50 small molecule injectable drugs with generic competition found that drugs that entered shortage saw more than double the mean ASP decline of drugs that did not.

Average sales price reflects the net price manufacturers receive from purchasers and is reported quarterly to the Centers for Medicare & Medicaid Services (CMS). Oncology drug shortages were identified using the [FDA Drug Shortages database](#).

The Pattern Across 50 Drugs Over 6 Years

Deeper Price Erosion, Greater Shortage Risk



The mean price decline for those that entered shortage vs. the mean price decline of those that never entered shortage.

Greater price erosion aligned with greater shortage risk, while market corrections often occurred only after supply disruptions had emerged.

Three Findings Pointed to the Same Story

>6x

Price Decline → Shortage

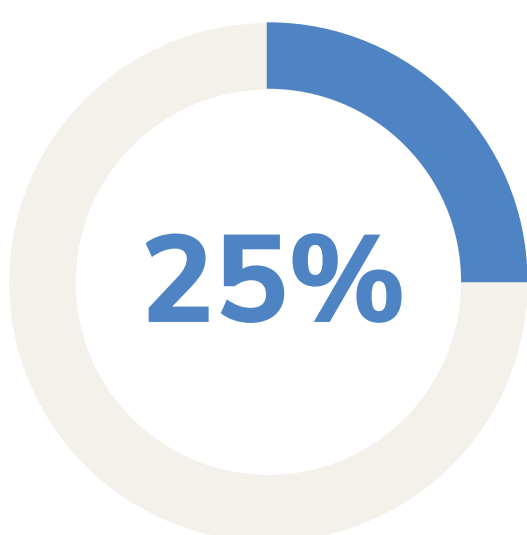
Drugs with ≥5% inflation-adjusted ASP decline had more than 6x increased shortage risk compared to drugs without price change (HR=6.04, p<0.0001).

+16.6%

Shortage → Price Spike

Once a drug entered shortage, ASP rebounded by an average of 16.6% a market correction that arrived too late to prevent the disruption.

Scale of the Problem



One in four study drugs experienced at least one FDA-reported shortage by 2023, compared with none in 2018.

Designed for Tough Cases



Oncology drug shortages don't happen often enough to make standard analysis easy.

Inovalon's team used an advanced modeling approach designed for exactly that challenge, so the findings are defensible even with a small number of events.

Strategic Implications



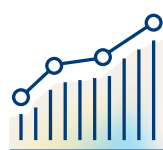
Asp Trends May Provide Earlier Visibility Into Supply Risk

Monitoring pricing patterns may help identify signals before shortages emerge.



Stable Reimbursement Policy May Be Critical To Supply Stability

Pricing pressure can create downstream effects that extend beyond cost.



Additional Research May Uncover Similar Patterns

Future analyses should evaluate oncology biosimilars and other therapeutic categories where pricing trends are emerging.

About the Research

Inovalon's [Outcomes and Evidence Solutions](#) team designed and conducted this analysis, using publicly available data and advanced modeling methods to [evaluate the relationship between ASP changes and oncology drug shortages](#).

The full analysis including methodology, drug list, and hazard model results is available in *Value in Health*, Vol. 28, Issue S2.

Explore how [Inovalon's research and evidence teams are generating insights that support market strategy, evidence development, and healthcare decision-making](#).