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Prospects of compounding pharmacies in the US to See an Upsurge: Study

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The U.S. compounding pharmacies market revenue is expected to increase at a robust growth rate over the next few years despite the reporting of several adverse events and drug mismanagement-related deaths



According to a recent research, the global compounding pharmacies market is estimated to have accounted around US$ 8 Bn in terms of value during 2018. The report on the U.S. compounding pharmacies market also projects that the market will grow at a CAGR of approximately 5% during the period 2018-2028.

The U.S. compounding pharmacies market revenue is expected to increase at a robust growth rate over the next few years despite the reporting of several adverse events and drug mismanagement-related deaths. The U.S. compounding pharmacies market is expected to gain popularity in several regions of the U.S. due to upcoming products and therapeutic areas that are yet to be tapped by branded manufacturers. Focus on factors, such as the availability of drugs in innovative medium/forms and the administration of varying dosages for various indications, is expected to drive the adoption of newer dosage forms of compounded medications.

Market Remains Influenced by Availability of Compounded Pain Management Drugs

The growing popularity of pain management therapies is fuelling the growth of U.S. compounding pharmacies market. Compounded pain management drugs are not FDA-approved, however, they come under the State Pharmacies Board supervision in the U.S. For example, medical guidelines such as the Chronic Pain Guidelines stated by the Medical Treatment Utilization Schedule (MTUS) do not support the use of compounds such as Gabapentin and Baclofen for pain management. However, compounding pharmacies use these compounds as well as several others in varying strengths to attract customers and increase their revenue.

Moreover, an increase in the shortage of prescription medicine is expected to upsurge the demand for compounding pharmacies. According to the U.S. FDA, only 154 drugs were in short supply or not available in 2007, as compared to 456 in 2012. Currently, the number of drugs in short supply is around 300. Medicinal drought is prominent in the U.S. as compared to other countries, which is also fuelling the revenue growth of the U.S. compounding pharmacies market.

On the other hand, increasing regulatory pressures are expected to hamper the growth of the U.S. compounding pharmacies market. Compounding pharmacies are engaged in trans-boundary drug compounding, and the manufacturing of bulk drugs & ingredients need to be registered with the FDA, undergo mandatory inspections, and abide by GMP guidelines. For instance, the FDA has stated that around 70% of registered firms have been inspected, of which 28 firms have been issued FDA Form 483s (non-adherence to cGMP regulations and unsafe compounding practices), and five warning letters, which implies a very high rate of action. Compounding pharmacies registering with the FDA could serve to increase credibility. However, inspections and compliance with good manufacturing practices is compulsory. Regulatory pressures on compounding pharmacies are expected to force the smaller ones to close their business primarily due to unsafe compounding practices, which are likely to directly impact patient safety.

Hormone Replacement Therapeutic Area to Hold over 38% Revenue Share in Market

By product type, oral medication is the expected to dominate the U.S. compounding pharmacies market in term of revenue, which is then followed by topical medication. The injectable segment by product type of the U.S. compounding pharmacies market is projected to grow at a significant rate as compared to other segments. The hormone replacement therapy segment is the leading segment in terms of revenue among all the therapeutic area segments of the U.S. compounding pharmacies

market, and is estimated to gain a 38.4% revenue share in 2019.

Among the pharmacy type segments, the 503A pharmacy segment is expected to gain a major revenue share as compared to the 503B pharmacy segment over the forecast period. By application, the adults segment is estimated to dominate the U.S. compounding pharmacies market, followed by the paediatrics segment. The veterinary segment is expected to grow at a faster pace as compared to the other application segments of the U.S. compounding pharmacies market.

The U.S. compounding pharmacies market report tracks some of the key companies operating in the market, which include Avella Specialty Pharmacy, Central Admixture Pharmacy Services, Inc., Fagron N.V., Wedgewood Pharma, PharMEDium Services LLC, Doughertys Pharmacy, Institutional Pharmacy Solutions, Lorraine’s Pharmacy, Village Compounding Pharmacy, Triangle Compounding Pharmacy, Olympia Pharmacy, Hoye's Pharmacy, Vertisis Custom Pharmacy, Smith Caldwell Drug Store, AIS HealthCare, Soleo Health, Millers Pharmacy, Centene Corporation, Infinity Care Solutions, Triumph Pharmacy, and Sixth Avenue Medical Pharmacy.