



**State of Vermont**  
**Green Mountain Care Board**  
144 Main Street  
Montpelier VT 05620

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**IMPACT OF PRESCRIPTION DRUG COSTS ON HEALTH  
INSURANCE PREMIUMS**

**In accordance with 18 V.S.A. § 4636**

*Prepared by the  
Green Mountain Care Board*

*January 1, 2019*

## Introduction

[Act 193 of 2018](#), an act relating to prescription drug price transparency and cost containment, requires the Green Mountain Care Board (GMCB) to report annually on the overall impact of drug costs on health insurance premiums in Vermont.

The reporting requirement set forth in Act 193 of 2018 applies to major medical health insurers with more than 1,000 covered lives in Vermont. The Green Mountain Care Board reviews rate filings in Vermont's fully-insured major medical market. From this population of regulated health insurers, MVP, Blue Cross and Blue Shield of Vermont (BCBSVT) and The Vermont Health Plan (TVHP) were identified as subject to the Act 193 reporting requirement.

MVP, BCBSVT and TVHP were required to submit information for all premiums reviewed in 2018, and assess the overall impact on premiums for all covered prescription drugs in the following three categories:

- a. 25 most frequently prescribed drugs and the average wholesale price for each drug;
- b. 25 most costly drugs by total plan spending and the average wholesale price for each drug; and
- c. 25 drugs with the highest year-over-year price increases and the average wholesale price for each drug

This report summarizes the results from the collected data and includes additional materials to provide context for the information. The additional materials include:

1. Attachment One: Health Insurer Data
2. Attachment Two: Pharmaceutical Supply Chain Diagram
3. Attachment Three: Components of Commercial Insurance Premiums
4. Attachment Four: Act 193 of 2018 and Copy of the Data Request Form

## Summary of Results

Prescription drugs account for approximately 15.67% of the commercial premiums under review. Table One summarizes the impact of prescription drugs on premiums by:

- **Member Month:** the per-member per-month (PMPM) amount an individual consumer pays for prescription drugs as part of their monthly premium.
- **% Change:** the change in PMPM compared to the previous year.
- **% of Premium:** the percentage of monthly premium attributable to prescription drugs.

Table One: Prescription Drug Impact on Premium				
Carrier	Vermont Lives	PMPM	% Change	% of Premium
MVP	28,756	\$77.45	10.80%	16.05%
BCBSVT	63,991	\$83.42	12.80%	15.50%
TVHP	2,800	\$84.31	-15.30%	15.51%
<b>Total/Weighted Average</b>	<b>95,547</b>	<b>\$81.65</b>	<b>11.37%</b>	<b>15.67%</b>

The three prescription drugs with the greatest impact on premiums are Humira pen, Harvoni and Enbrel Sureclick- all specialty drugs.

Product	Therapeutic Class	% of Premium
<b>Humira pen</b>	Analgesis/Anti-inflammatory used to treat arthritis, plaque psoriasis, ankylosing spondylitis, Crohn's disease, and ulcerative colitis	1.43%
<b>Harvoni</b>	Anti-viral used to treat Hepatitis C	0.78%
<b>Enbrel Sureclick</b>	Analgesis/Anti-inflammatory used to treat arthritis, plaque psoriasis, and ankylosing spondylitis	0.70%

As a component of commercial insurance premiums, prescription drugs are generally broken down into three categories:

- **Generic:** drugs that are the same as an existing approved brand name drug in dosage, intended use, safety, strength, route of administration, and quality. Generic drugs generally cost less than their brand-name counterparts because they do not have to repeat studies and testing required of the brand-name drugs to demonstrate their safety and effectiveness. According to the U.S. Food and Drug Administration (FDA), 9 out of 10 prescriptions filled in this country are for generic drugs.
- **Brand:** drugs developed and patented by a drug manufacturer and which, with FDA approval for safety and effectiveness, are sold under a proprietary, trademark-protected name. When the patent expires, the drug may be made available as a generic drug.
- **Specialty:** high-cost complex drugs and biologics typically used to treat chronic, serious, or life-threatening conditions such as cancer, rheumatoid arthritis, growth hormone deficiency, and multiple sclerosis. These drugs may require special handling or require unique storage, be difficult to administrate, and require additional patient education, support and monitoring.

Tables Three and Four summarize the impact of generic, brand and specialty drugs on premiums. Table Three displays the impact on premium on a PMPM basis, and Table Four displays the impact as a percentage of premium.

	Generic	Brand	Specialty
<b>BCBSVT</b>	\$31.63	\$15.49	\$36.30
<b>MVP</b>	\$8.71	\$23.27	\$45.47
<b>TVHP</b>	\$11.67	\$32.20	\$39.54

	Generic	Brand	Specialty
<b>BCBSVT</b>	5.9%	2.9%	6.8%
<b>MVP</b>	1.80%	4.82%	9.42%
<b>TVHP</b>	2.2%	6.0%	7.4%

## Methodology

### Analysis Population

Major medical health insurers with more than 1,000 covered lives in Vermont are subject to the reporting requirement set forth in Act 193 of 2018. Under Vermont law, the Green Mountain Care Board reviews rate requests in the State's fully-insured major medical health insurance market, see 18 V.S.A. § 9375(b)(6); 8 V.S.A. § 4062(a).

Table Five, based on information contained in the rate filings of MVP, BCBSVT and TVHP, shows the number of Vermont lives and overall premiums for the filings subject to this reporting requirement in 2018.

Table Five: 2018 Filings- Vermont Lives and Overall Premium <sup>1</sup>			
Company Name	Filing Name	Vermont Lives	Overall Premium
MVP	Large Group HMO	2,171	\$11,363,454
MVP	Small Group Grandfathered	1,362	\$7,974,565
MVP	Exchange Filing	25,223	\$144,599,214
BlueCross/BlueShield VT	Exchange Filing	52,591	\$347,729,947
BlueCross/BlueShield VT	Large Group	11,400	\$77,289,949
The Vermont Health Plan	Large Group	2,800	\$14,816,328
<b>TOTAL</b>		<b>95,547</b>	<b>\$603,773,457</b>

### Price Reporting

18 V.S.A. § 4636 requires carriers to submit the "average wholesale price" (AWP) of the required drug categories. In order to ensure that carriers submitted data in a standard format, the following price reporting requirements were applied:

#### Average Wholesale Price

The AWP is the average price of a drug purchased at the wholesale level.<sup>2</sup> The price of a drug may change several times during a year. Carriers subscribe to commercial databases for access to the most current AWP of drugs.<sup>3</sup> In order to synchronize the time-frame for the insurance rate filings under review with the time-frame for the prescription drugs under review, carriers were instructed to select AWP as of January 1, 2018.

#### Rebates and Discounts

Rebates are a significant factor in the price consumers pay for prescription drugs. A drug manufacturer will typically pay rebates to a pharmacy benefit manager (PBM), which shares a portion of the rebate with the health insurer. The health insurer can then factor rebate savings into its pharmacy claim experience when establishing future premiums. Manufacturers most often pay rebates on high-cost, brand name prescription drugs in competitive classes where there are interchangeable and competing products, aiming to incentivize the PBM to include the

<sup>1</sup> The dollar amount of Overall Premium reflects the information submitted to the Green Mountain Care Board in the health insurer's initial rate filing and does not account for any Board-ordered rate change.

<sup>2</sup> The use of the average wholesale price was intended protect confidential, competitive pricing information while allowing third-party payers, including government programs, to obtain access. However, AWP has been criticized as manipulatable and easily inflated relative to actual market prices for prescription drugs. A similar view was expressed by drug manufacturers, as indicated in a [report](#) on Pharmaceutical Cost Transparency issued by the Vermont Attorney General's Office in February 2018.

<sup>3</sup> BCBSVT, TVHP and MVP use Medi-Span, considered to be the leading provider of drug information for the health care industry, to establish AWP.

manufacturer’s product on its formulary. Rebate contract terms are confidential, making actual price comparisons difficult.<sup>4</sup> AWP does not consider rebates or their impact on actual prices paid by the consumer.

**National Drug Code**

Any individual drug is available in different doses and package options. For example, Lisinopril is a generic drug used to treat high blood pressure and is available as a tablet or oral liquid, in different dosages and by different drug manufacturers. To ensure accurate analysis of equivalent drugs and avoid submissions based on different dose and package options, carriers were required to submit drug information based on the medication’s National Drug Code (NDC). NDCs are universal identifiers composed of a unique ten-digit, three-segment number for drugs in the United States. The three segments of the NDC identify the labeler, the product, and the commercial package size.

**Health Insurance Coverage in Vermont**

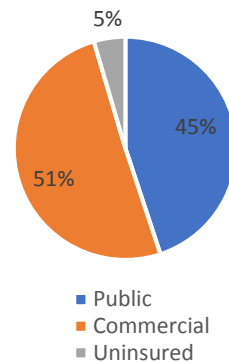
Vermonters receive health insurance coverage in a variety of ways, for example, through their employer, as an individual, or through the government. This report assesses the commercial, fully-insured population whose rate filings are reviewed by the Green Mountain Care Board, and which constitutes approximately 15% of Vermont’s total population.<sup>5</sup>

**Table Six: Health Insurance Coverage Profile 2016**

Category	# of Vermonters	% of Total Vermont Population
<b>Commercial: Individual, Small and Large Group (Report Population)</b>	95,131	15.2%
<b>Commercial: Self-Insured</b>	202,101	32.4%
<b>Commercial: VT residents covered by insurers outside of VT</b>	18,276	2.9%
<b>Public: Medicaid/Medicare</b>	280,545	44.9%
<b>Uninsured</b>	28,541	4.6%
<b>Total Vermont Population</b>	<b>624,594</b>	<b>100.0%</b>

Approximately 51% of Vermonters receive their coverage from commercial health insurance, compared with 45% from public health insurance. The Office of the Vermont Attorney General annually reports drug cost information on the public health insurance population, including a comparison of private and public drug payment methods, in the [Pharmaceutical Cost Transparency Report](#) required under 18 V.S.A. § 4635.

**Commercial vs. Public Health Insurance**



<sup>4</sup> For additional information on rebates, see Dieguez, Alston & Tomicki (Milliman White Paper) *A primer on prescription drug rebates: Insights into why rebates are a target for reducing prices*, (May 21, 2018).

<sup>5</sup> [Expenditure Analysis 2016](#), The Green Mountain Care Board.

## 25 Most Frequently Prescribed Drugs

**Insurer: MVP**

**Table One: Breakdown by Product Name**

Please list the drugs in order from most frequently to least frequently prescribed, #1 representing the most frequently prescribed. Please use the AWP as of January 2018.

Product Name	Labeler Name	NDC #	Therapeutic Category	Generic (G), Brand (B) or Specialty (S)	AWP	PMPM	% of Premium
1 HYDROCHLOROTHIAZIDE	ACCORD HEALTHCARE	16729018317	DIURETICS	G	\$ 0.08	\$0.00	0.00%
2 OMEPRAZOLE	SANDOZ	00781279010	ULCER DRUGS	G	\$ 4.45	\$0.00	0.00%
3 PROAIR HFA	TEVA RESPIRATORY	59310057922	ANTIASTHMATIC AND BRONCHODILATOR AGENTS	B	\$ 8.41	\$0.14	0.03%
4 LISINAPRIL	SANDOZ	00185061001	ANTIHYPERTENSIVES	G	\$ 1.00	\$0.00	0.00%
5 LANTUS SOLOSTAR	SANOFI-AVENTIS U.S.	00088221905	ANTIDIABETICS	B	\$ 30.72	\$1.60	0.33%
6 VENTOLIN HFA	GLAXO SMITH KLINE	00173068220	ANTIASTHMATIC AND BRONCHODILATOR AGENTS	B	\$ 3.58	\$0.07	0.02%
7 SUBOXONE	INDIVIOR INC	12496120803	ANALGESICS - OPIOID	B	\$ 9.78	\$0.57	0.12%
8 LISINAPRIL	SOLCO HEALTHCARE	43547035311	ANTIHYPERTENSIVES	G	\$ 0.99	\$0.00	0.00%
9 LISINAPRIL	SANDOZ	00185062001	ANTIHYPERTENSIVES	G	\$ 1.08	\$0.00	0.00%
10 ATORVASTATIN CALCIUM	APOTEX	60505257909	ANTIHYPERLIPIDEMICS	G	\$ 5.77	\$0.01	0.00%
11 LISINAPRIL	SOLCO HEALTHCARE	43547035411	ANTIHYPERTENSIVES	G	\$ 1.06	\$0.00	0.00%
12 ATORVASTATIN CALCIUM	APOTEX	60505258009	ANTIHYPERLIPIDEMICS	G	\$ 5.77	\$0.01	0.00%
13 GABAPENTIN	CIPLA USA	69097081412	ANTICONVULSANTS	G	\$ 1.33	\$0.01	0.00%
14 SIMVASTATIN	TEVA PHARMACEUTICALS USA	00093715498	ANTIHYPERLIPIDEMICS	G	\$ 4.92	\$0.00	0.00%
15 OMEPRAZOLE	DR.REDDY'S LABORATORIES, INC.	55111015810	ULCER DRUGS	G	\$ 4.15	\$0.00	0.00%
16 HYDROCODONE/ACETAMINOPHEN	MALLINCKRODT PHARM	00406012301	ANALGESICS - OPIOID	G	\$ 0.69	\$0.00	0.00%
17 METOPROLOL SUCCINATE ER	ACTAVIS PHARMA	62037083101	BETA BLOCKERS	G	\$ 1.05	\$0.02	0.00%
18 OMEPRAZOLE	SANDOZ	00781223401	ULCER DRUGS	G	\$ 7.40	\$0.00	0.00%
19 LOSARTAN POTASSIUM	AUROBINDO PHARMA	65862020390	ANTIHYPERTENSIVES	G	\$ 3.08	\$0.00	0.00%
20 SIMVASTATIN	ACCORD HEALTHCARE	16729000517	ANTIHYPERLIPIDEMICS	G	\$ 4.92	\$0.00	0.00%
21 AZITHROMYCIN	TEVA PHARMACEUTICALS USA	50111078766	MACROLIDES	G	\$ 7.78	\$0.00	0.00%
22 LEVOTHYROXINE SODIUM	MYLAN	00378180310	THYROID AGENTS	G	\$ 0.50	\$0.01	0.00%
23 BUPROPION HCL XL	ACTAVIS	45963014205	ANTIDEPRESSANTS	G	\$ 6.30	\$0.02	0.00%
24 JUNEL FE 1/20	TEVA PHARMACEUTICALS USA	00555902658	CONTRACEPTIVES	G	\$ 1.02	\$0.04	0.01%
25 TRAZODONE HCL	TEVA PHARMACEUTICALS USA	50111043301	ANTIDEPRESSANTS	G	\$ 1.07	\$0.00	0.00%

**Table Two: Breakdown by Category**

For the 25 prescription drugs listed in Table One, provide the weighted PMPM by drug category and the % change from last year's filings.

	PMPM	% Change	% of Premium
Generic	\$0.12	39.95%	0.02%
Brand	\$2.39	27.85%	0.49%
Specialty	\$0.00	0.00%	0.00%

Attachment One  
Health Insurer Data

## 25 Highest Priced Drugs

**Insurer: MVP**

**Table One: Breakdown by Product Name**

Please list the drugs in order from highest cost, #1 representing the highest cost. Please use the AWP as of January 1, 2018.

Product Name	Labeler Name	NDC #	Therapeutic Category	Generic (G), Brand (B) or Specialty (S)	AWP	PMPM	% of Premium
1 HUMIRA PEN	ABBVIE	00074433902	ANALGESICS - ANTI-INFLAMMATORY	S	\$ 2,664.74	\$6.90	1.43%
2 HARVONI	GILEAD SCIENCES	61958180101	ANTIVIRALS	S	\$ 1,350.00	\$3.78	0.78%
3 ENBREL SURECLICK	AMGEN	58406044504	ANALGESICS - ANTI-INFLAMMATORY	S	\$ 1,359.80	\$3.39	0.70%
4 ORKAMBI	VERTEX PHARMACEUTICALS, INC.	51167080901	RESPIRATORY AGENTS - MISC.	S	\$ 224.13	\$2.77	0.57%
5 GLATOPA	SANDOZ	00781323434	PSYCHOTHERAPEUTIC AND NEUROLOGICAL AGENTS - MISC.	S	\$ 216.41	\$1.72	0.36%
6 LANTUS SOLOSTAR	SANOFI-AVENTIS U.S.	00088221905	ANTIDIABETICS	B	\$ 30.72	\$1.60	0.33%
7 THIOLA	RETROPHIN	00178090001	GENITOURINARY AGENTS - MISCELLANEOUS	B	\$ 33.85	\$1.57	0.32%
8 SIMPONI	JANSSEN BIOTECH	57894007002	ANALGESICS - ANTI-INFLAMMATORY	S	\$ 9,960.92	\$1.00	0.21%
9 GILENYA	NOVARTIS	00078060715	PSYCHOTHERAPEUTIC AND NEUROLOGICAL AGENTS - MISC.	S	\$ 296.49	\$0.99	0.20%
10 IBRANCE	PFIZER U.S.	00069018921	ANTINEOPLASTICS AND ADJUNCTIVE THERAPIES	S	\$ 645.25	\$0.97	0.20%
11 STELARA	JANSSEN BIOTECH	57894006103	DERMATOLOGICALS	S	\$ 22,892.64	\$0.95	0.20%
12 HUMIRA	ABBVIE	00074379902	ANALGESICS - ANTI-INFLAMMATORY	S	\$ 2,664.74	\$0.92	0.19%
13 NOVOLOG	NOVO NORDISK	00169750111	ANTIDIABETICS	B	\$ 33.07	\$0.81	0.17%
14 TRIUMEQ	VIIV HEALTHCARE	49702023113	ANTIVIRALS	S	\$ 112.21	\$0.80	0.17%
15 JAKAFI	INCYTE CORPORATION	50881001060	ANTINEOPLASTICS AND ADJUNCTIVE THERAPIES	S	\$ 244.80	\$0.70	0.14%
16 TECFIDERA	BIOGEN IDEC	64406000602	PSYCHOTHERAPEUTIC AND NEUROLOGICAL AGENTS - MISC.	S	\$ 136.40	\$0.66	0.14%
17 VICTOZA	NOVO NORDISK	00169406013	ANTIDIABETICS	B	\$ 107.56	\$0.66	0.14%
18 SUBOXONE	INDIVIOR INC	12496120803	ANALGESICS - OPIOID	B	\$ 9.78	\$0.57	0.12%
19 SUTENT	PFIZER U.S.	00069083038	ANTINEOPLASTICS AND ADJUNCTIVE THERAPIES	S	\$ 628.48	\$0.52	0.11%
20 NOVOLOG FLEXPEN	NOVO NORDISK	00169633910	ANTIDIABETICS	B	\$ 42.58	\$0.51	0.11%
21 PULMOZYME	GENENTECH	50242010040	RESPIRATORY AGENTS - MISC.	S	\$ 52.53	\$0.47	0.10%
22 PLEGRIDY	BIOGEN IDEC	64406001101	PSYCHOTHERAPEUTIC AND NEUROLOGICAL AGENTS - MISC.	S	\$ 7,544.40	\$0.45	0.09%
23 HUMIRA PEN-CROHNS DISEASESTA	ABBVIE	00074433906	ANALGESICS - ANTI-INFLAMMATORY	S	\$ 2,664.74	\$0.43	0.09%
24 SYMBICORT	ASTRAZENECA LP	00186037020	ANTIASTHMATIC AND BRONCHODILATOR AGENTS	B	\$ 36.32	\$0.43	0.09%
25 EPCLUSA	GILEAD SCIENCES	61958220101	ANTIVIRALS	S	\$ 1,068.00	\$0.41	0.09%

**Table Two: Breakdown by Category**

For the 25 prescription drugs listed in Table One, provide the weighted PMPM by drug category and the % change from last year's filings.

	PMPM	% Change	% of Premium
<b>Generic</b>	\$0.00	0.00%	0.00%
<b>Brand</b>	\$6.15	60.96%	1.27%
<b>Specialty</b>	\$27.85	60.11%	5.77%

**25 Drugs with highest year-over-year price increases**

**Insurer: MVP**

**Table One: Breakdown by Product Name**

Please list the drugs in order from highest year-over-year price increase, #1 representing the highest increase. Increases should be based on a percentage basis. Please use the AWP as of January 1, 2018.

Product Name	Labeler Name	NDC #	Therapeutic Category	Generic (G), Brand (B) or Specialty (S)	AWP	PMPM	% of Premium	% Increase
1 LISINAPRIL	SANDOZ	00185060501	ANTIHYPERTENSIVES	G	\$ 0.97	\$ 0.00	0.00%	2419.4%
2 METFORMIN HCL ER	TIME-CAP LABS	49483062350	ANTIDIABETICS	G	\$ 0.75	\$ 0.00	0.00%	2287.8%
3 LITHIUM CARBONATE	GLENMARK PHARMACEUTICALS	68462022110	ANTIPSYCHOTICS/ANTIMANIC AGENTS	G	\$ 0.18	\$ 0.00	0.00%	400.0%
4 FLUOCINONIDE	FOUGERA	00168013915	DERMATOLOGICALS	G	\$ 3.04	\$ 0.00	0.00%	329.3%
5 LIDOCAINE VISCOUS	HIKMA	00054350049	MOUTH/THROAT/DENTAL AGENTS	G	\$ 0.13	\$ -	0.00%	286.0%
6 FOLIC ACID	SUNRISE PHARMACEUTICAL	11534016503	HEMATOPOIETIC AGENTS	G	\$ 0.08	\$ 0.00	0.00%	204.8%
7 MEDROXYPROGESTERONE ACETAT	TEVA PARENTERAL MEDICINES	00703680101	CONTRACEPTIVES	G	\$ 97.85	\$ 0.00	0.00%	181.2%
8 LIDOCAINE HCL	HIKMA	00054350547	DERMATOLOGICALS	G	\$ 0.96	\$ -	0.00%	162.0%
9 DICYCLOMINE HCL	ACTAVIS PHARMA	00591079510	ULCER DRUGS	G	\$ 0.71	\$ -	0.00%	157.5%
10 DICYCLOMINE HCL	ACTAVIS PHARMA	00591079501	ULCER DRUGS	G	\$ 0.78	\$ 0.00	0.00%	118.7%
11 DICYCLOMINE HCL	ACTAVIS PHARMA	00591079401	ULCER DRUGS	G	\$ 0.54	\$ 0.00	0.00%	106.3%
12 VALPROIC ACID	BIONPHARMA	69452015020	ANTICONVULSANTS	G	\$ 0.84	\$ 0.00	0.00%	100.0%
13 ALENDRONATE SODIUM	TAGI PHARMA	51224030110	ENDOCRINE AND METABOLIC AGENTS - MISC.	G	\$ 0.76	\$ 0.01	0.00%	74.5%
14 DICYCLOMINE HCL	LANNETT	00527058601	ULCER DRUGS	G	\$ 0.45	\$ -	0.00%	70.3%
15 BETAMETHASONE VALERATE	ACTAVIS MID ATLANTIC	00472037015	DERMATOLOGICALS	G	\$ 1.87	\$ -	0.00%	68.1%
16 BETAMETHASONE VALERATE	ACTAVIS MID ATLANTIC	00472037045	DERMATOLOGICALS	G	\$ 1.27	\$ 0.00	0.00%	68.0%
17 BAYER CONTOUR NEXT BLOODGLU	ASCENSIA DIABETES CARE	00193731221	DIAGNOSTIC PRODUCTS	G	\$ 1.32	\$ 0.04	0.01%	66.7%
18 BAYER CONTOUR NEXT BLOODGLU	ASCENSIA DIABETES CARE	00193731150	DIAGNOSTIC PRODUCTS	G	\$ 1.32	\$ 0.00	0.00%	66.7%
19 DICYCLOMINE HCL	LANNETT	00527128201	ULCER DRUGS	G	\$ 0.58	\$ 0.00	0.00%	63.7%
20 NEOMYCIN/POLYMYXIN/HYDROCC	SANDOZ	61314064610	OTIC AGENTS	G	\$ 9.38	\$ 0.00	0.00%	62.8%
21 NEOMYCIN/POLYMYXIN/HYDROCC	SANDOZ	61314064511	OTIC AGENTS	G	\$ 9.38	\$ 0.00	0.00%	62.8%
22 SIMVASTATIN	NORTHSTAR RX	16714068202	ANTIHYPERTENSIVES	G	\$ 2.77	\$ 0.00	0.00%	45.9%
23 CIPROFLOXACIN HCL	NORTHSTAR RX	16714065204	FLUOROQUINOLONES	G	\$ 4.96	\$ 0.00	0.00%	44.1%
24 PENICILLIN V POTASSIUM	NORTHSTAR RX	16714023502	PENICILLINS	G	\$ 1.77	\$ -	0.00%	40.7%
25 THEOPHYLLINE ER	ALEMBIC PHARMACEUTICALS	62332002531	ANTIASTHMATIC AND BRONCHODILATOR AGENTS	G	\$ 4.30	\$ 0.00	0.00%	39.0%

**Table Two: Breakdown by Category**

For the 25 prescription drugs listed in Table One, provide the weighted PMPM by drug category and the % change from last year's filings.

	PMPM	% Change	% of Premium
<b>Generic</b>	\$0.06	33.78%	0.01%
<b>Brand</b>	\$0.00	0.00%	0.00%
<b>Specialty</b>	\$0.00	0.00%	0.00%



## Pharmacy Trend: Impact on Premiums

### Insurer: MVP

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**Table One:** Please provide a breakdown of the total cost of pharmacy on overall premiums for all filings under review.

	PMPM	% Change	% of Premium
<b>Generic</b>	\$8.71	-4.4%	1.80%
<b>Brand</b>	\$23.27	4.7%	4.82%
<b>Specialty</b>	\$45.47	18.0%	9.42%

**Table Two:** Please provide the overall pharmacy trend for all filings under review

	PMPM	% Change	% of Premium
<b>Pharmacy Trend</b>	\$77.45	10.80%	16.05%

## 25 Most Frequently Prescribed Drugs

### Insurer: Blue Cross and Blue Shield of Vermont

**Table One: Breakdown by Product Name**

Please list the drugs in order from most frequently to least frequently prescribed, #1 representing the most frequently prescribed. Please use the AWP as of January 2018.

Product Name	Labeler Name	NDC #	Therapeutic Category	Generic (G), Brand (B) or Specialty (S)	AWP	PMPM	% of Premium
1 HYDROCHLOROTHIAZIDE 25 MG	Accord Healthcare Inc.	16729018317	THIAZIDE AND RELATED DIURETICS	G	\$ 0.08	0.00	0.00%
2 OMEPRAZOLE DR 20 MG CAPSU	Sandoz Inc	00781279010	PROTON-PUMP INHIBITORS	G	\$ 4.44	0.00	0.00%
3 PROAIR HFA 90 MCG INHALER	Teva Respiratory, LLC	59310057922	BETA-ADRENERGIC AGENTS	B	\$ 8.41	0.25	0.05%
4 LISINAPRIL 10 MG TABLET	Eon Labs, Inc.	00185061001	ACE INHIBITOR/THIAZIDE & THIAZIDE-LIKE DIURETIC	G	\$ 1.00	0.00	0.00%
5 ATORVASTATIN 40 MG TABLET	Apotex Corp.	60505258009	ANTIHYPERTENSIVE	G	\$ 5.77	0.00	0.00%
6 FLUTICASONONE PROP 50 MCG S	Apotex Corp.	60505082901	NASAL ANTI-INFLAMMATORY STEROIDS	G	\$ 5.33	0.00	0.00%
7 LISINAPRIL 10 MG TABLET	Solco Healthcare USA, LLC	43547035311	ACE INHIBITOR/THIAZIDE & THIAZIDE-LIKE DIURETIC	G	\$ 0.99	0.00	0.00%
8 OMEPRAZOLE DR 40 MG CAPSU	Sandoz Inc	00781223401	PROTON-PUMP INHIBITORS	G	\$ 7.40	0.00	0.00%
9 GABAPENTIN 300 MG CAPSULE	Cipla USA Inc.	69097081412	ANTICONVULSANTS	G	\$ 1.33	0.01	0.00%
10 TRAZODONE 50 MG TABLET	Teva Pharmaceuticals USA, Inc.	50111043301	ALPHA-2 RECEPTOR ANTAGONIST ANTIDEPRESSANTS	G	\$ 1.07	0.00	0.00%
11 ATORVASTATIN 20 MG TABLET	Apotex Corp.	60505257909	ANTIHYPERTENSIVE	G	\$ 5.77	0.00	0.00%
12 FLUTICASONONE PROP 50 MCG S	West-Ward Pharmaceuticals Corp.	00054327099	NASAL ANTI-INFLAMMATORY STEROIDS	G	\$ 4.70	0.00	0.00%
13 LISINAPRIL 20 MG TABLET	Eon Labs, Inc.	00185062001	ACE INHIBITOR/THIAZIDE & THIAZIDE-LIKE DIURETIC	G	\$ 1.08	0.00	0.00%
14 LEVOTHYROXINE 75 MCG TABL	Mylan Pharmaceuticals, Inc.	00378180510	THYROID HORMONES	G	\$ 0.55	0.01	0.00%
15 SIMVASTATIN 20 MG TABLET	Accord Healthcare Inc.	16729000517	ANTIHYPERTENSIVE	G	\$ 4.92	0.00	0.00%
16 LEVOTHYROXINE 100 MCG TAB	Mylan Pharmaceuticals, Inc.	00378180910	THYROID HORMONES	G	\$ 0.56	0.01	0.00%
17 OMEPRAZOLE DR 20 MG CAPSU	Dr. Reddy's Laboratories Limited	55111015810	PROTON-PUMP INHIBITORS	G	\$ 4.15	0.00	0.00%
18 LISINAPRIL 20 MG TABLET	Solco Healthcare USA, LLC	43547035411	ACE INHIBITOR/THIAZIDE & THIAZIDE-LIKE DIURETIC	G	\$ 1.06	0.00	0.00%
19 FLOVENT HFA 110 MCG INHAL	GlaxoSmithKline LLC	00173071920	CORTICOSTEROIDS	B	\$ 24.33	0.40	0.07%
20 ONETOUGH ULTRA TEST STRIP	LifeScan, Inc.	53885024510	BLOOD SUGAR DIAGNOSTICS	B	\$ 1.49	0.29	0.05%
21 SIMVASTATIN 20 MG TABLET	Teva Pharmaceuticals USA, Inc.	00093715498	ANTIHYPERTENSIVE	G	\$ 4.92	0.00	0.00%
22 CITALOPRAM HBR 20 MG TABL	Torrent Pharmaceuticals Limited	13668001001	ALPHA-2 RECEPTOR ANTAGONIST ANTIDEPRESSANTS	G	\$ 2.69	0.00	0.00%
23 BUPROPION HCL XL 300 MG T	Actavis Pharma, Inc.	45963014205	ALPHA-2 RECEPTOR ANTAGONIST ANTIDEPRESSANTS	G	\$ 6.30	0.03	0.01%
24 SERTRALINE HCL 100 MG TAB	Cipla USA Inc.	69097083502	ALPHA-2 RECEPTOR ANTAGONIST ANTIDEPRESSANTS	G	\$ 2.84	0.00	0.00%
25 LEVOTHYROXINE 50 MCG TABL	Mylan Pharmaceuticals, Inc.	00378180310	THYROID HORMONES	G	\$ 0.50	0.01	0.00%

**Table Two: Breakdown by Category**

For the 25 prescription drugs listed in Table One, provide the weighted PMPM by drug category and the % change from last year's filings.

	PMPM	% Change	% of Premium
Generic	\$ 0.11	-0.01%	0.02%
Brand	\$ 0.94	6.09%	0.18%
Specialty	\$ -	-	-

25 Highest Priced Drugs

Insurer: Blue Cross and Blue Shield of Vermont

Table One: Breakdown by Product Name

Please list the drugs in order from highest cost, #1 representing the highest cost. Please use the AWP as of January 1, 2018.

Product Name	Labeler Name	NDC #	Therapeutic Category	Generic (G), Brand (B) or Specialty (S)	AWP	PMPM	% of Premium	
1	STELARA 90 MG/ML SYRINGE	Janssen Biotech, Inc.	57894006103	ANTI-INFLAMMATORY TUMOR NECROSIS FACTOR INHIBITOR	S	\$ 24,701.16	\$ 0.70	0.13%
2	STELARA 45 MG/0.5 ML SYRI	Janssen Biotech, Inc.	57894006003	ANTI-INFLAMMATORY TUMOR NECROSIS FACTOR INHIBITOR	S	\$ 24,399.74	\$ 0.32	0.06%
3	NEULASTA 6 MG/0.6 ML SYRI	Amgen Inc	55513019001	HEMATINICS,OTHER	S	\$ 12,462.12	\$ 0.06	0.01%
4	TREMFYA 100 MG/ML SYRINGE	Janssen Biotech, Inc.	57894064001	ANTI-INFLAMMATORY TUMOR NECROSIS FACTOR INHIBITOR	S	\$ 12,190.22	\$ 0.04	0.01%
5	SIMPONI 50 MG/0.5 ML PEN	Janssen Biotech, Inc.	57894007002	ANTI-INFLAMMATORY TUMOR NECROSIS FACTOR INHIBITOR	S	\$ 10,766.83	\$ 0.29	0.05%
6	LUPRON DEPOT-PED 30 MG 3M	AbbVie Inc.	00074969403	ALKYLATING AGENTS	S	\$ 10,603.54	\$ 0.05	0.01%
7	LUPRON DEPOT-PED 30 MG 3M	AbbVie Inc.	00074969403	ALKYLATING AGENTS	S	\$ 10,603.54	\$ 0.02	0.00%
8	PLEGRIDY 125 MCG/0.5 ML P	Biogen Inc.	64406001101	AGENTS TO TREAT MULTIPLE SCLEROSIS	S	\$ 8,147.94	\$ 0.33	0.06%
9	AVONEX PREFILLED SYR 30 M	Biogen Idec MA Inc.	59627022205	AGENTS TO TREAT MULTIPLE SCLEROSIS	S	\$ 8,147.94	\$ 0.18	0.03%
10	AVONEX PEN 30 MCG/0.5 ML	Biogen Idec MA Inc.	59627033304	AGENTS TO TREAT MULTIPLE SCLEROSIS	S	\$ 8,147.94	\$ 0.15	0.03%
11	PLEGRIDY PEN INJ STARTER	Biogen Inc.	64406001201	AGENTS TO TREAT MULTIPLE SCLEROSIS	S	\$ 8,147.94	\$ 0.03	0.01%
12	FABRAZYME 35 MG VIAL	Genzyme Corporation	58468004001	METABOLIC DISEASE ENZYME REPLACEMENT, GAUCHER'S DX	S	\$ 6,931.51	\$ 0.24	0.05%
13	SIMPONI 100 MG/ML PEN INJ	Janssen Biotech, Inc.	57894007102	ANTI-INFLAMMATORY TUMOR NECROSIS FACTOR INHIBITOR	S	\$ 5,982.42	\$ 0.05	0.01%
14	TALTZ 80 MG/ML AUTOINJECT	Eli Lilly and Company	00002144511	ANTI-INFLAMMATORY TUMOR NECROSIS FACTOR INHIBITOR	S	\$ 5,732.82	\$ 0.03	0.01%
15	TALTZ 80 MG/ML SYRINGE	Eli Lilly and Company	00002772411	ANTI-INFLAMMATORY TUMOR NECROSIS FACTOR INHIBITOR	S	\$ 5,732.82	\$ 0.03	0.01%
16	FASENRA 30 MG/ML SYRINGE	AstraZeneca Pharmaceuticals LP	00310173030	SEVERE EOSINOPHILIC ASTHMA	S	\$ 5,702.53	\$ 0.00	0.00%
17	COSENTYX 150 MG/ML PEN IN	Novartis Pharmaceuticals Corporation	00078063968	ANTI-INFLAMMATORY TUMOR NECROSIS FACTOR INHIBITOR	S	\$ 5,654.86	\$ 0.18	0.03%
18	COSENTYX 150 MG/ML SYRING	Novartis Pharmaceuticals Corporation	00078063997	ANTI-INFLAMMATORY TUMOR NECROSIS FACTOR INHIBITOR	S	\$ 5,654.86	\$ 0.01	0.00%
19	SANDOSTATIN LAR DEPOT 20	Novartis Pharmaceuticals Corporation	00078081881	ANTI-INFLAMMATORY/ANTIARTHRITICS AGENTS, MISC.	S	\$ 4,897.31	\$ 0.03	0.00%
20	SANDOSTATIN LAR DEPOT 20	Novartis Pharmaceuticals Corporation	00078081881	ANTI-INFLAMMATORY/ANTIARTHRITICS AGENTS, MISC.	S	\$ 4,897.31	\$ 0.01	0.00%
21	CIMZIA 200 MG/ML SYRINGE	UCB, Inc.	50474071079	ANTI-INFLAMMATORY TUMOR NECROSIS FACTOR INHIBITOR	S	\$ 4,853.18	\$ 0.22	0.04%
22	LUPRON DEPOT 11.25 MG 3MO	AbbVie Inc.	00074366303	ALKYLATING AGENTS	S	\$ 4,408.08	\$ 0.06	0.01%
23	LUPRON DEPOT 11.25 MG 3MO	AbbVie Inc.	00074366303	ALKYLATING AGENTS	S	\$ 4,408.08	\$ 0.02	0.00%
24	FIRAZYR 30 MG/3 ML SYRING	Shire US Manufacturing Inc.	54092070202	ALKYLATING AGENTS	S	\$ 4,122.98	\$ 0.40	0.07%
25	NINLARO 4 MG CAPSULE	Millennium Pharmaceuticals, Inc.	63020008002	ALKYLATING AGENTS	S	\$ 3,787.20	\$ 0.07	0.01%

Table Two: Breakdown by Category

For the 25 prescription drugs listed in Table One, provide the weighted PMPM by drug category and the % change from last year's filings.

	PMPM	% Change	% of Premium
Generic	-	-	-
Brand	-	-	-
Specialty	\$ 3.52	12.1%	0.65%

**25 Drugs with highest year-over-year price increases**

**Insurer: Blue Cross and Blue Shield of Vermont**

**Table One: Breakdown by Product Name**

Please list the drugs in order from highest year-over-year price increase, #1 representing the highest increase. Increases should be based be assessed on a percentage basis. Please use the AWP as of January 1, 2018.

Product Name	Labeler Name	NDC #	Therapeutic Category	Generic (G), Brand (B) or Specialty (S)	AWP	PMPM	% of Premium	% Increase
1 VERAPAMIL ER 240 MG TABLET	Sun Pharmaceutical Industries, Inc.	57664011888	ACE INHIBITOR/CALCIUM CHANNEL BLOCKER COMBINATION	G	\$ 2.60	\$ 0.00	0.00%	485.1%
2 VERAPAMIL ER 180 MG TABLET	Sun Pharmaceutical Industries, Inc.	57664011788	ACE INHIBITOR/CALCIUM CHANNEL BLOCKER COMBINATION	G	\$ 2.27	\$ 0.00	0.00%	411.6%
3 WATER FOR INJECTION VIAL	Hospira, Inc.	00409488710	BULK CHEMICALS	G	\$ 0.52	\$ 0.00	0.00%	393.2%
4 GENTAMICIN 0.3% EYE DROPS	Bausch & Lomb Incorporated	24208058060	EYE PREPARATIONS, MISC. ANTI-INFECTIVES	G	\$ 8.57	\$ 0.00	0.00%	289.6%
5 TRAZODONE 150 MG TABLET	Sun Pharmaceutical Industries Inc.	53489051701	ALPHA-2 RECEPTOR ANTAGONIST ANTIDEPRESSANTS	G	\$ 1.47	\$ 0.00	0.00%	239.0%
6 LIOTHYRONINE SODIUM POWDE	Professional Compounding Centers of America dba PCCA	51927309000	THYROID HORMONES	B	\$ 2.92	\$ 0.00	0.00%	215.9%
7 TRIAMCINOLONE 0.1% OINTME	E. Fougera & Co. a division of Fougera Pharmaceuticals Inc.	00168000680	TOPICAL ANTI-INFLAMMATORY STEROIDAL	G	\$ 0.48	\$ 0.00	0.00%	174.4%
8 LORATADINE 10 MG TABLET	Northstar RxLLC	16714048202	2ND GEN ANTIHISTAMINE & DECONGESTANT COMBINATIONS	G	\$ 0.78	\$ 0.00	0.00%	160.3%
9 HYDROCORTISONE POWDER	Medisca Inc.	38779000905	TOPICAL ANTI-INFLAMMATORY STEROIDAL	B	\$ 0.50	\$ 0.00	0.00%	141.3%
10 DICYCLOMINE 20 MG TABLET	Actavis Pharma, Inc.	00591079501	ANALGESICS, NARCOTICS	G	\$ 0.78	\$ 0.00	0.00%	118.7%
11 DICYCLOMINE 10 MG CAPSULE	Actavis Pharma, Inc.	00591079410	ANALGESICS, NARCOTICS	G	\$ 0.50	\$ 0.00	0.00%	102.8%
12 SIMVASTATIN 5 MG TABLET	Northstar RxLLC	16714068101	ANTIHYPERLIP.HMG COA REDUCT INHIB&CHOLEST.AB.INHIB	G	\$ 2.71	\$ 0.00	0.00%	97.1%
13 PROGESTERONE MICRONIZED P	Professional Compounding Centers of America dba PCCA	51927104600	APPETITE STIM. FOR ANOREXIA,CACHEXIA,WASTING SYND.	B	\$ 2.67	\$ 0.00	0.00%	96.8%
14 METOCLOPRAMIDE 5 MG/5 ML	Pharmaceutical Associates, Inc.	00121057616	INTESTINAL MOTILITY STIMULANTS	G	\$ 0.07	\$ 0.00	0.00%	84.0%
15 LITHIUM 8 MEQ/5 ML SOLUTI	West-Ward Pharmaceuticals Corp.	00054352763	BIPOLAR DISORDER DRUGS	G	\$ 0.36	\$ 0.00	0.00%	75.8%
16 MEPERIDINE 100 MG/ML VIAL	West-ward Pharmaceutical Corp.	00641605425	ANALGESICS, NARCOTIC AGONIST AND NSAID COMBINATION	G	\$ 2.88	\$ -	0.00%	75.6%
17 NYSTATIN 100,000 UNIT/ML	VistaPharm Inc.	66689000816	ANTIFUNGAL MEDICATION	G	\$ 0.20	\$ 0.00	0.00%	72.7%
18 BETAMETHASONE VA 0.1% CRE	Actavis Pharma, Inc.	00472037015	TOPICAL ANTI-INFLAMMATORY STEROIDAL	G	\$ 1.87	\$ 0.00	0.00%	68.1%
19 BETAMETHASONE VA 0.1% CRE	Actavis Pharma, Inc.	00472037045	TOPICAL ANTI-INFLAMMATORY STEROIDAL	G	\$ 1.27	\$ 0.00	0.00%	68.0%
20 CONTOUR NEXT STRIPS	Ascensia Diabetes Care Holdings AG	00193731221	BLOOD SUGAR DIAGNOSTICS	B	\$ 1.32	\$ 0.04	0.01%	66.7%
21 CONTOUR NEXT STRIPS	Ascensia Diabetes Care Holdings AG	00193731150	BLOOD SUGAR DIAGNOSTICS	B	\$ 1.32	\$ 0.01	0.00%	66.7%
22 DICYCLOMINE 20 MG TABLET	Lannett Company, Inc.	00527128201	ANALGESICS, NARCOTICS	G	\$ 0.58	\$ 0.00	0.00%	63.8%
23 NEOMYCIN-POLYMYXIN-HC EAR	Sandoz Inc.	61314064511	EAR PREPARATIONS,ANTIBIOTICS	G	\$ 9.38	\$ 0.00	0.00%	62.8%
24 NEOMYCIN-POLYMYXIN-HC EAR	Sandoz Inc.	61314064610	EAR PREPARATIONS,ANTIBIOTICS	G	\$ 9.38	\$ 0.00	0.00%	62.8%
25 SIMVASTATIN 10 MG TABLET	Northstar RxLLC	16714068201	ANTIHYPERLIP.HMG COA REDUCT INHIB&CHOLEST.AB.INHIB	G	\$ 2.82	\$ 0.00	0.00%	59.8%

**Table Two: Breakdown by Category**

For the 25 prescription drugs listed in Table One, provide the weighted PMPM by drug category and the % change from last year's filings.

	PMPM	% Change	% of Premium
Generic	\$ 0.01	158%	0.00%
Brand	\$ 0.05	117%	0.00%
Specialty	-	-	-

**Pharmacy Trend: Impact on Premiums**  
**Insurer: Blue Cross and Blue Shield of Vermont**

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**Table One:** Please provide a breakdown of the total cost of pharmacy on overall premiums for all filings under review.

	PMPM	% Change	% of Premium
<b>Generic</b>	\$ 31.63	6.0%	5.9%
<b>Brand</b>	\$ 15.49	5.7%	2.9%
<b>Specialty</b>	\$ 36.30	23.1%	6.8%

**Table Two:** Please provide the overall pharmacy trend for all filings under review

	PMPM	% Change	% of Premium
Pharmacy Trend	\$ 83.42	12.80%	15.50%

## 25 Most Frequently Prescribed Drugs

### Insurer: The Vermont Health Plan (TVHP)

**Table One: Breakdown by Product Name**

Please list the drugs in order from most frequently to least frequently prescribed, #1 representing the most frequently prescribed. Please use the AWP as of January 2018.

Product Name	Labeler Name	NDC #	Therapeutic Category	Generic (G), Brand (B) or Specialty (S)			AWP	PMPM	% of Premium
				Generic (G)	Brand (B)	Specialty (S)			
1 HYDROCHLOROTHIAZIDE 25 MG	Accord Healthcare Inc.	16729018317	THIAZIDE AND RELATED DIURETICS	G			\$ 0.08	\$ 0.02	\$ 0.00
2 OMEPRAZOLE DR 20 MG CAPSU	Sandoz Inc	00781279010	ANTI-ULCER-H.PYLORI AGENTS	G			\$ 4.45	\$ 0.01	\$ 0.00
3 PROAIR HFA 90 MCG INHALER	Teva Respiratory, LLC	59310057922	BETA-ADRENERGIC AGENTS	B			\$ 8.37	\$ 0.60	\$ 0.00
4 LISINAPRIL 10 MG TABLET	Solco Healthcare USA, LLC	43547035311	ACE INHIBITOR/THIAZIDE & THIAZIDE-LIKE DIURETIC	G			\$ 0.99	\$ 0.02	\$ 0.00
5 LISINAPRIL 10 MG TABLET	Eon Labs, Inc.	00185061001	ACE INHIBITOR/THIAZIDE & THIAZIDE-LIKE DIURETIC	G			\$ 1.00	\$ 0.02	\$ 0.00
6 ATORVASTATIN 20 MG TABLET	Apotex Corp.	60505257909	ANTIHYPHERLIP.HMG COA REDUCT INHIB&CHOLEST.AB.INHIB	G			\$ 5.77	\$ 0.02	\$ 0.00
7 LISINAPRIL 20 MG TABLET	Solco Healthcare USA, LLC	43547035411	ACE INHIBITOR/THIAZIDE & THIAZIDE-LIKE DIURETIC	G			\$ 1.06	\$ 0.01	\$ 0.00
8 ATORVASTATIN 40 MG TABLET	Apotex Corp.	60505258009	ANTIHYPHERLIP.HMG COA REDUCT INHIB&CHOLEST.AB.INHIB	G			\$ 5.77	\$ 0.02	\$ 0.00
9 TRAZODONE 50 MG TABLET	Teva Pharmaceuticals USA, Inc.	50111043301	ALPHA-2 RECEPTOR ANTAGONIST ANTIDEPRESSANTS	G			\$ 1.07	\$ 0.01	\$ 0.00
10 GABAPENTIN 300 MG CAPSULE	Cipla USA Inc.	69097081412	ANTICONVULSANTS	G			\$ 1.33	\$ 0.01	\$ 0.00
11 SERTRALINE HCL 100 MG TAB	Aurobindo Pharma Limited	65862001305	ALPHA-2 RECEPTOR ANTAGONIST ANTIDEPRESSANTS	G			\$ 2.85	\$ 0.00	\$ 0.00
12 LISINAPRIL 20 MG TABLET	Eon Labs, Inc.	00185062001	ACE INHIBITOR/THIAZIDE & THIAZIDE-LIKE DIURETIC	G			\$ 1.08	\$ 0.01	\$ 0.00
13 ATORVASTATIN 10 MG TABLET	Apotex Corp.	60505257809	ANTIHYPHERLIP.HMG COA REDUCT INHIB&CHOLEST.AB.INHIB	G			\$ 4.05	\$ 0.01	\$ 0.00
14 SIMVASTATIN 40 MG TABLET	Teva Pharmaceuticals USA, Inc.	00093715598	ANTIHYPHERLIP.HMG COA REDUCT INHIB&CHOLEST.AB.INHIB	G			\$ 4.92	\$ 0.00	\$ 0.00
15 BUPROPION HCL XL 150 MG T	Par Pharmaceuticals, Inc.	10370010150	ALPHA-2 RECEPTOR ANTAGONIST ANTIDEPRESSANTS	G			\$ 4.77	\$ 0.02	\$ 0.00
16 CITALOPRAM HBR 20 MG TABL	Torrent Pharmaceuticals Limited	13668001001	ALPHA-2 RECEPTOR ANTAGONIST ANTIDEPRESSANTS	G			\$ 2.69	\$ 0.00	\$ 0.00
17 SIMVASTATIN 20 MG TABLET	Teva Pharmaceuticals USA, Inc.	00093715498	ANTIHYPHERLIP.HMG COA REDUCT INHIB&CHOLEST.AB.INHIB	G			\$ 4.92	\$ 0.01	\$ 0.00
18 VENTOLIN HFA 90 MCG INHAL	GlaxoSmithKline LLC	00173068220	BETA-ADRENERGIC AGENTS	B			\$ 3.58	\$ 0.25	\$ 0.00
19 FLUTICASON PROP 50 MCG S	Apotex Corp.	60505082901	EAR PREPARATIONS ANTI-INFLAMMATORY	G			\$ 5.33	\$ 0.00	\$ 0.00
20 LOSARTAN POTASSIUM 100 MG	Aurobindo Pharma Limited	65862020390	ANGIOTENSIN RECEPTOR ANTAG./THIAZIDE DIURETIC COMB	G			\$ 3.08	\$ 0.01	\$ 0.00
21 CITALOPRAM HBR 20 MG TABL	Aurobindo Pharma Limited	65862000605	ALPHA-2 RECEPTOR ANTAGONIST ANTIDEPRESSANTS	G			\$ 2.48	\$ 0.00	\$ 0.00
22 SIMVASTATIN 40 MG TABLET	Accord Healthcare Inc.	16729000617	ANTIHYPHERLIP.HMG COA REDUCT INHIB&CHOLEST.AB.INHIB	G			\$ 4.92	\$ 0.00	\$ 0.00
23 OMEPRAZOLE DR 40 MG CAPSU	Glenmark Pharmaceuticals Inc., USA	68462039710	ANTI-ULCER-H.PYLORI AGENTS	G			\$ 7.40	\$ 0.00	\$ 0.00
24 FLOVENT HFA 110 MCG INHAL	GlaxoSmithKline LLC	00173071920	CORTICOSTEROIDS	B			\$ 24.33	\$ 0.56	\$ 0.00
25 SERTRALINE HCL 100 MG TAB	Lupin Pharmaceuticals, Inc.	68180035302	ALPHA-2 RECEPTOR ANTAGONIST ANTIDEPRESSANTS	G			\$ 2.85	\$ 0.01	\$ 0.00

**Table Two: Breakdown by Category**

For the 25 prescription drugs listed in Table One, provide the weighted PMPM by drug category and the % change from last year's filings.

	PMPM	% Change	% of Premium
Generic	\$ 0.21	0.00%	0.01%
Brand	\$ 1.40	4.86%	0.07%
Specialty	-	-	-

25 Highest Priced Drugs

Insurer: The Vermont Health Plan (TVHP)

Table One: Breakdown by Product Name

Please list the drugs in order from highest cost, #1 representing the highest cost. Please use the AWP as of January 1, 2018.

Product Name	Labeler Name	NDC #	Therapeutic Category	Generic (G), Brand (B) or Specialty (S)	AWP	PMPM	% of Premium
1 STELARA 45 MG/0.5 ML SYRI	Janssen Biotech, Inc.	57894006003	ACNE AGENTS,SYSTEMIC	S	\$ 24,701.16	\$ 0.00	0.0%
2 SIMPONI 100 MG/ML PEN INJ	Janssen Biotech, Inc.	57894007102	ANTI-INFLAMMATORY TUMOR NECROSIS FACTOR INHIBITOR	S	\$ 6,237.29	\$ 1.58	0.1%
3 HUMIRA 40 MG/0.8 ML PEN	AbbVie Inc.	00074433902	ANTI-INFLAMMATORY TUMOR NECROSIS FACTOR INHIBITOR	S	\$ 2,923.22	\$ 6.57	0.3%
4 HUMIRA 40 MG/0.8 ML SYRIN	AbbVie Inc.	00074379902	ANTI-INFLAMMATORY TUMOR NECROSIS FACTOR INHIBITOR	S	\$ 2,923.22	\$ 1.72	0.1%
5 ENBREL 50 MG/ML SURECLICK	Immunex Corporation	58406044504	ANTI-INFLAMMATORY TUMOR NECROSIS FACTOR INHIBITOR	S	\$ 1,491.43	\$ 1.97	0.1%
6 TYMLOS 80 MCG DOSE PEN IN	Radius Health, Inc.	70539000102	OSTEOPOROSIS	S	\$ 1,250.00	\$ 0.02	0.0%
7 ORENCIA 125 MG/ML SYRINGE	E.R. Squibb & Sons, L.L.C.	00003218811	ANTI-INFLAMMATORY TUMOR NECROSIS FACTOR INHIBITOR	S	\$ 1,239.31	\$ 1.54	0.1%
8 COPAXONE 40 MG/ML SYRINGE	Teva Neuroscience, Inc.	68546032512	AGENTS TO TREAT MULTIPLE SCLEROSIS	S	\$ 583.20	\$ 3.91	0.2%
9 ESTRING 2 MG VAGINAL RING	Pharmacia and Upjohn Company LLC	00013215036	ESTROGEN/ANDROGEN COMBINATIONS	B	\$ 517.61	\$ 0.02	0.0%
10 PREVVAR 13 SYRINGE	Wyeth Holdings Corporation, a subsidiary of Pfizer Inc.	00005197102	ENTERIC VIRUS VACCINES	B	\$ 431.62	\$ 0.03	0.0%
11 GILENYA 0.5 MG CAPSULE	Novartis Pharmaceuticals Corporation	00078060715	AGENTS TO TREAT MULTIPLE SCLEROSIS	S	\$ 314.28	\$ 1.53	0.1%
12 MENACTRA VIAL	Sanofi Pasteur Inc.	49281058905	ENTERIC VIRUS VACCINES	B	\$ 278.82	\$ 0.00	0.0%
13 PULMICORT 180 MCG FLEXHAL	AstraZeneca Pharmaceuticals LP	00186091612	GLUCOCORTICOIDS	B	\$ 275.40	\$ 0.08	0.0%
14 ASMANEX TWISTHALER 220 MC	Merck Sharp & Dohme Corp.	00085134102	GLUCOCORTICOIDS	B	\$ 269.74	\$ 0.00	0.0%
15 TYPHIM VI 25 MCG/0.5 ML S	Sanofi Pasteur Inc.	49281079051	ENTERIC VIRUS VACCINES	B	\$ 229.32	\$ 0.01	0.0%
16 PNEUMOVAX 23 SYRINGE	Merck Sharp & Dohme Corp.	00006483703	ENTERIC VIRUS VACCINES	B	\$ 226.84	\$ 0.01	0.0%
17 ASMANEX TWISTHALER 110 MC	Merck Sharp & Dohme Corp.	00085146102	GLUCOCORTICOIDS	B	\$ 212.87	\$ 0.03	0.0%
18 NUVARING VAGINAL RING	Organon USA Inc.	00052027303	CONTRACEPTIVES, INTRAVAGINAL, SYSTEMIC	B	\$ 185.87	\$ 0.37	0.0%
19 ILEVRO 0.3% OPHTH DROPS	Alcon Laboratories, Inc.	00065175007	EYE ANTIINFLAMMATORY AGENTS	B	\$ 179.79	\$ 0.01	0.0%
20 TECFIDERA DR 240 MG CAPSU	Bioten Inc.	64406000602	AGENTS TO TREAT MULTIPLE SCLEROSIS	S	\$ 147.31	\$ 3.60	0.2%
21 IBANDRONATE SODIUM 150 MG	Apotex Corp.	60505279500	BONE RESORPTION INHIBITOR & VITAMIN D COMBINATIONS	G	\$ 138.87	\$ -	0.0%
22 SPIRIVA RESPIMAT 2.5 MCG	Boehringer Ingelheim Pharmaceuticals, Inc.	00597010061	ANALGESICS, NARCOTICS	B	\$ 119.30	\$ 0.09	0.0%
23 TRIUMEQ TABLET	ViiV Healthcare Company	49702023113	ANTIVIRALS, HIV-SPEC, NON-PEPTIDIC PROTEASE INHIB	B	\$ 112.21	\$ 0.57	0.0%
24 VICTOZA 2-PAK 18 MG/3 ML	Novo Nordisk	00169406012	ANTIHYPERGLY,INCRETIN MIMETIC(GLP-1 RECEP.AGONIST)	B	\$ 107.56	\$ 0.08	0.0%
25 VICTOZA 3-PAK 18 MG/3 ML	Novo Nordisk	00169406013	ANTIHYPERGLY,INCRETIN MIMETIC(GLP-1 RECEP.AGONIST)	B	\$ 107.56	\$ 1.29	0.1%

Table Two: Breakdown by Category

For the 25 prescription drugs listed in Table One, provide the weighted PMPM by drug category and the % change from last year's filings.

	PMPM	% Change	% of Premium
Generic	\$ -	-	0.00%
Brand	\$ 2.59	8.9%	0.14%
Specialty	\$ 22.43	12.7%	1.19%

25 Drugs with highest year-over-year price increases

Insurer: The Vermont Health Plan (TVHP)

Table One: Breakdown by Product Name

Please list the drugs in order from highest year-over-year price increase, #1 representing the highest increase. Increases should be based be assessed on a percentage basis. Please use the AWP as of January 1, 2018.

Product Name	Labeler Name	NDC #	Therapeutic Category	Generic (G), Brand (B) or Specialty (S)	AWP	PMPM	% of Premium	% Increase
1 LORATADINE 10 MG TABLET	Northstar RxLLC	16714048202	2ND GEN ANTIHISTAMINE & DECONGESTANT COMBINATIONS	G	\$ 0.78	\$ 0.00	0.00%	160.35%
2 PROGESTERONE MICRONIZED P	Professional Compounding Centers of America dba PCCA	51927353000	APPETITE STIM. FOR ANOREXIA,CACHEXIA,WASTING SYND.	B	\$ 2.53	\$ 0.01	0.00%	89.64%
3 SIMVASTATIN 10 MG TABLET	Northstar RxLLC	16714068202	ANTHYPERLIP.HMG COA REDUCT INHIB&CHOLEST.AB.INHIB	G	\$ 2.77	\$ 0.00	0.00%	45.86%
4 CIALIS 5 MG TABLET	Eli Lilly and Company	00002446230	DRUGS TO TREAT IMPOTENCY	B	\$ 13.68	\$ 0.02	0.00%	20.76%
5 NP THYROID 60 MG TABLET	Acella Pharmaceuticals, LLC	42192033001	THYROID HORMONES	G	\$ 0.75	\$ 0.01	0.00%	19.27%
6 ENBREL 50 MG/ML SURECLICK	Immunex Corporation	58406044504	ANTI-INFLAMMATORY TUMOR NECROSIS FACTOR INHIBITOR	S	\$ 1,491.43	\$ 1.97	0.10%	18.89%
7 XIIDRA 5% EYE DROPS	Shire US Manufacturing Inc.	54092060601	OPHTHALMIC ANTI-INFLAMMATORY IMMUNOMODULATOR-TYPE	B	\$ 10.14	\$ 0.06	0.00%	18.81%
8 SIMPONI 100 MG/ML PEN INJ	Janssen Biotech, Inc.	57894007102	ANTI-INFLAMMATORY TUMOR NECROSIS FACTOR INHIBITOR	S	\$ 6,237.29	\$ 1.58	0.08%	18.59%
9 LYRICA 100 MG CAPSULE	Parke-Davis Div of Pfizer Inc	00071101568	ANTICNVULSANTS	B	\$ 8.92	\$ 0.18	0.01%	18.08%
10 XARELTO 20 MG TABLET	Janssen Pharmaceuticals, Inc.	50458057930	ANTICOAGULANTS,COUMARIN TYPE	B	\$ 16.76	\$ 0.07	0.00%	16.53%
11 XARELTO 20 MG TABLET	Janssen Pharmaceuticals, Inc.	50458057990	ANTICOAGULANTS,COUMARIN TYPE	B	\$ 16.76	\$ 0.30	0.02%	16.53%
12 GILENYA 0.5 MG CAPSULE	Novartis Pharmaceuticals Corporation	00078060715	AGENTS TO TREAT MULTIPLE SCLEROSIS	S	\$ 314.28	\$ 1.53	0.08%	16.52%
13 TIVICAY 50 MG TABLET	ViiV Healthcare Company	49702022813	ANTIVIRALS, HIV-SPEC, NON-PEPTIDIC PROTEASE INHIB	B	\$ 66.30	\$ 1.32	0.07%	16.51%
14 CHANTIX 1 MG CONT MONTH B	Pfizer Laboratories Div Pfizer Inc	00069046903	SMOKING DETERRENT AGENTS (GANGLIONIC STIM,OTHERS)	B	\$ 8.60	\$ 0.19	0.01%	16.49%
15 CHANTIX STARTING MONTH BO	Pfizer Laboratories Div Pfizer Inc	00069047103	SMOKING DETERRENT AGENTS (GANGLIONIC STIM,OTHERS)	B	\$ 9.08	\$ 0.14	0.01%	16.49%
16 STELARA 45 MG/0.5 ML SYRI	Janssen Biotech, Inc.	57894006003	ACNE AGENTS,SYSTEMIC	S	\$ 24,701.16	\$ 0.00	0.00%	16.42%
17 ESTRING 2 MG VAGINAL RING	Pharmacia and Upjohn Company LLC	00013215036	ESTROGEN/ANDROGEN COMBINATIONS	B	\$ 517.61	\$ 0.02	0.00%	16.01%
18 NITROFURANTOIN MONO-MCR 1	Northstar RxLLC	16714043901	CHEMOTHERAPEUTICS, ANTIBACTERIAL, MISC.	G	\$ 3.54	\$ 0.00	0.00%	15.95%
19 JANUVIA 100 MG TABLET	Merck Sharp & Dohme Corp.	00006027731	ANTHYPERGLYCEMIC, DPP-4 INHIBITORS	B	\$ 17.18	\$ 0.56	0.03%	15.42%
20 DESCOVY 200-25 MG TABLET	Gilead Sciences, Inc.	61958200201	ANTIVIRALS, HIV-SPEC, NON-PEPTIDIC PROTEASE INHIB	B	\$ 67.03	\$ 1.72	0.09%	14.28%
21 HUMIRA 40 MG/0.8 ML PEN	AbbVie Inc.	00074433902	ANTI-INFLAMMATORY TUMOR NECROSIS FACTOR INHIBITOR	S	\$ 2,923.22	\$ 6.57	0.35%	14.12%
22 HUMIRA 40 MG/0.8 ML SYRIN	AbbVie Inc.	00074379902	ANTI-INFLAMMATORY TUMOR NECROSIS FACTOR INHIBITOR	S	\$ 2,923.22	\$ 1.72	0.09%	14.12%
23 NUVARING VAGINAL RING	Organon USA Inc.	00052027303	CONTRACEPTIVES, INTRAVAGINAL, SYSTEMIC	B	\$ 185.87	\$ 0.37	0.02%	14.08%
24 CIPRODEX OTIC SUSPENSION	Alcon Laboratories, Inc.	00065853302	EAR PREPARATIONS, MISC. ANTI-INFECTIVES	B	\$ 34.98	\$ 0.05	0.00%	13.36%
25 SPIRIVA RESPIMAT 2.5 MCG	Boehringer Ingelheim Pharmaceuticals, Inc.	00597010061	ANALGESICS, NARCOTICS	B	\$ 119.30	\$ 0.09	0.00%	12.15%

Table Two: Breakdown by Category

For the 25 prescription drugs listed in Table One, provide the weighted PMPM by drug category and the % change from last year's filings.

	PMPM	% Change	% of Premium
Generic	\$ 0.01	60.4%	0.00%
Brand	\$ 5.10	21.0%	0.27%
Specialty	\$ 13.36	16.4%	0.71%



**Pharmacy Trend: Impact on Premiums**  
**Insurer: The Vermont Health Plan (TVHP)**

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**Table One:** Please provide a breakdown of the total cost of pharmacy on overall premiums for all filings under review.

	PMPM	% Change	% of Premium
<b>Generic</b>	\$ 11.67	-31.1%	2.2%
<b>Brand</b>	\$ 32.20	-28.2%	6.0%
<b>Specialty</b>	\$ 39.54	7.7%	7.4%

**Table Two:** Please provide the overall pharmacy trend for all filings under review

	PMPM	% Change	% of Premium
Pharmacy Trend	84.31	-15.3	15.51

## Attachment 2 Pharmaceutical Supply Chain: Flow of Drugs and Money

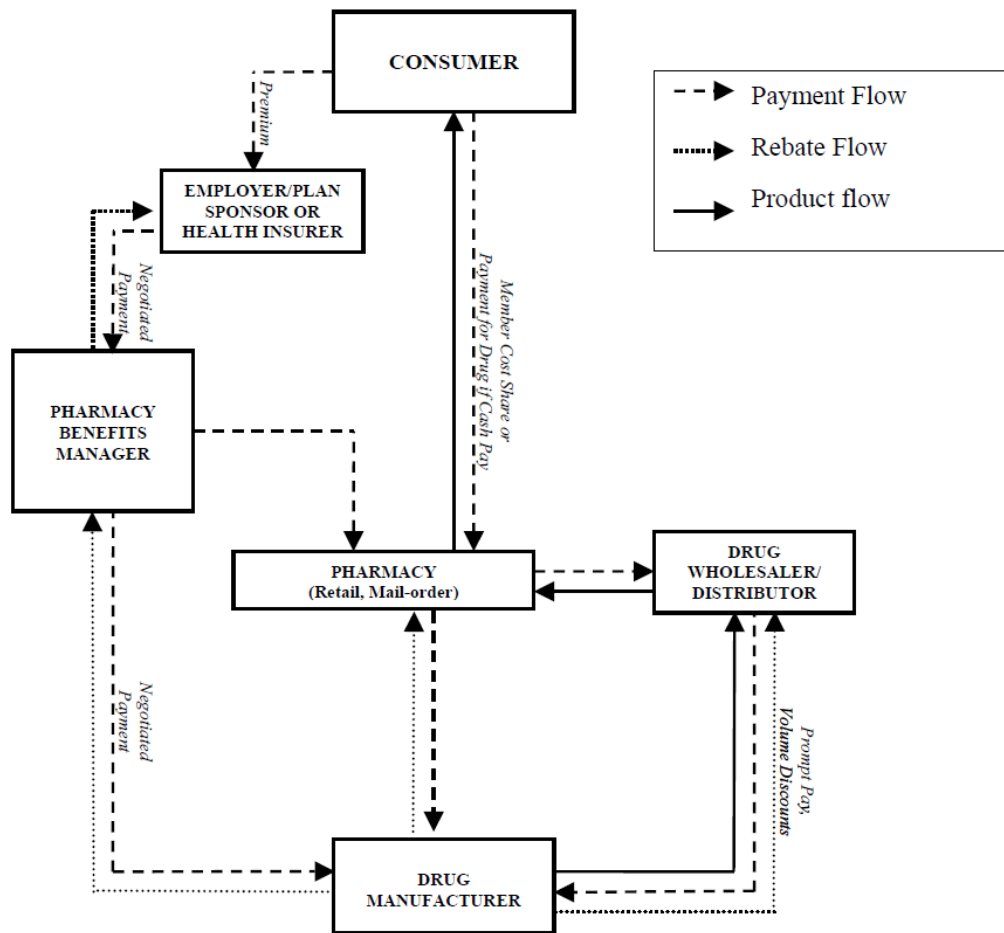
Carriers subject to the reporting requirement were asked to provide a brief description of the following:

*Explain the flow of prescription drugs and money from the manufacturer to your company's customers.*

*In this explanation, please include:*

1. *The role of each industry segment involved in the supply chain process (manufacturer, wholesaler distributor, pharmacies, pharmacy benefit managers, etc).*
2. *The flow of funds between each industry segment, including stages at which discounts and rebates are negotiated.*
3. *How does your company determine AWP? For example, does your company subscribe to a commercial drug information price database, and if so, please provide the name of that company.*

Below is diagram of a typical pharmaceutical supply chain<sup>1</sup> and the answers to these questions from each carrier.



<sup>1</sup> [The Kaiser Family Foundation: Follow the Pill: Understanding the U.S. Commercial Pharmaceutical Supply Chain](#)

## **BCBSVT/TVHP**

### *Flow of prescription drugs and money from the manufacturer to customers*

BCBSVT's members filled over 2M prescriptions in 2017 at a total cost of about \$132M. 94.3% of those scripts were filled through retail pharmacies and the other 5.7% were filled via home delivery pharmacies. In order to provide that benefit to its members, BCBSVT contracts with two pharmacy benefit managers (PBM); Express Scripts for its commercial lives and CVS/Caremark for its Medicare Part-D lives. BCBSVT does not contract directly with any retail pharmacies, wholesalers or manufacturers. PBM contracts are typically for three years. An RFP is then conducted at the end of each contract for the next contract.

Retail pharmacies contract with wholesalers to receive the medications that they dispense to BCBSVT's members (wholesalers buy the drugs from the manufacturers). The pharmacies then contract with a Pharmacy Services Administration Organization (PSAO) which acts as a group buying organization. The PSAO then contracts with the PBMs for the best reimbursement levels they can achieve for their pharmacies. When a patient fills a prescription at a pharmacy, the pharmacy sends the claim to the PBM for reimbursement. Part of the cost of the drug is paid by the patient to the pharmacy in the form of their copay or deductible. The PBM then pays the pharmacy for the balance of all of the scripts it filled at the end of the week.

PBMs collect all of the claims that BCBSVT members paid over the course of the week and sends BCBSVT an invoice for those claims based upon the rates that we contracted for with the PBM. BCBSVT then pays the PBM within a few days. For self-insured clients, BCBSVT will then invoice its clients every other week for all of its medical and pharmacy claims. For fully-insured clients, BCBSVT covers the cost of the pharmacy claims with the premiums it collects.

In addition to the steps above, BCBSVT also contracts with PBMs for manufacturer rebate contracting. BCBSVT does not contract directly with any manufacturers. We rely upon the PBMs to use their much larger volume to secure superior rebates on our behalf. Therefore, at the end of each quarter, PBMs collect all of our rebatable claims and sends them to the manufacturers to collect the rebates. Rebates are then collected and sent to BCBSVT 180 days after the end of a quarter. BCBSVT then applies a credit to the invoices of its self-funded clients for its rebates or applies the value of the rebate to the claims experience for setting premiums for the next year.

Average Wholesale Price (AWP) is published by Medi-Span which is owned by Wolters Kluwer. They collect drug pricing information from manufacturers and publish the AWP each month for each specific National Drug Code (NDC) (every drug has its own 11-digit NDC which indicates the manufacturer, drug, strength and package size). BCBSVT's contracts with PBMs are based upon discounts off of AWP. BCBSVT contracts with Medi-Span for a monthly file which contains AWP pricing for each NDC.

## **MVP**

### *Flow of prescription drugs and money from the manufacturer to customers*

CVS Caremark is the PBM for MVP Health Care.

CVS Caremark contracts directly with network pharmacies. Twice a month, CVS Caremark bills MVP for claims adjudicated through network pharmacies. Rates between the PBM and the Health Plan are negotiated upon contract renewal.

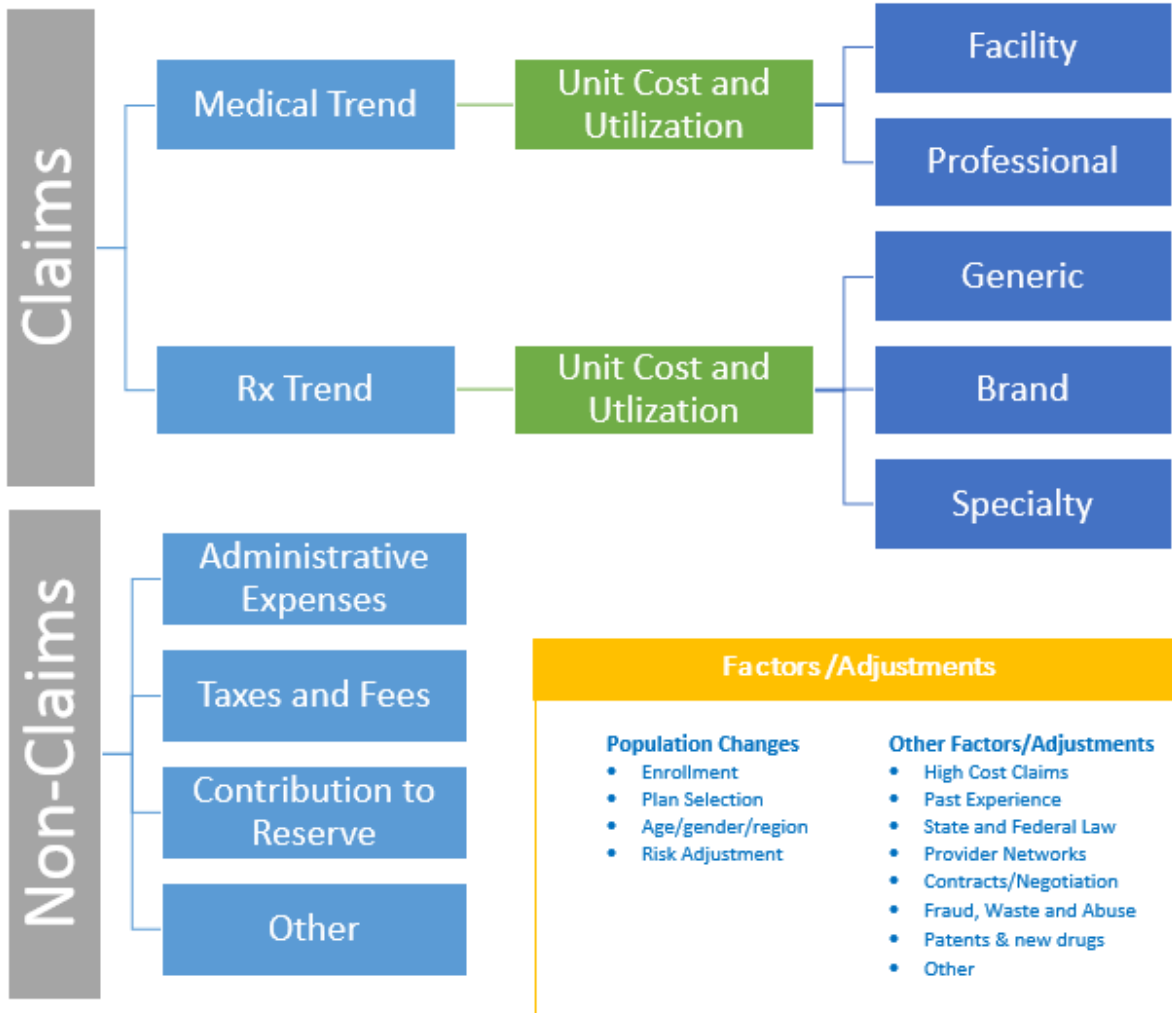
CVS Caremark and MVP conduct a comprehensive assessment of multiple factors including the pipeline, overall category and price trends, and evolving evidence based care standards in addition to monitoring the competitive landscape when making decisions related to contract negotiations. We take a holistic approach and look at total cost for the client, not just price for an individual drug. To help ensure clinical integrity, our strategies are closely reviewed and approved by MVP's independent P&T committee.

CVS Caremark contracts with drug manufacturers for pharmaceutical rebates, which are shared with MVP Health Care. CVS Caremark remits to MVP earned rebates quarterly upon collections. Rates and rebates between the PBM and the Health Plan are negotiated upon contract renewal.

The CVS Caremark source of Average Wholesale Price (AWP) data is Medi-Span. We load AWP updates to the system on a daily basis.

### Attachment 3 Components of Commercial Insurance Premiums

The following diagram shows the basic components of commercial insurance premiums. Approximately 85-92% of premium costs are a result of claims costs. The remainder is attributable to non-claims costs such as administrative expenses, taxes and fees, and contribution to reserves. Prescription drugs are accounted for in the Rx Trend section of the Claims component.



**Attachment Four**  
**Act 193 of 2018**  
**Copy of the Data Request Form**

Sec. 8. 18 V.S.A. § 4636 is added to read: § 4636. IMPACT OF PRESCRIPTION DRUG COSTS ON HEALTH INSURANCE PREMIUMS; REPORT

(a)(1) Each health insurer with more than 1,000 covered lives in this State for major medical health insurance shall report to the Green Mountain Care Board, for all covered prescription drugs, including generic drugs, brand-name drugs, and specialty drugs provided in an outpatient setting or sold in a retail setting:

(A) the 25 most frequently prescribed drugs and the average wholesale price for each drug;

(B) the 25 most costly drugs by total plan spending and the average wholesale price for each drug; and

(C) the 25 drugs with the highest year-over-year price increases and the average wholesale price for each drug.

(2) A health insurer shall not be required to provide to the Green Mountain Care Board the actual price paid, net of rebates, for any prescription drug.

(b) The Green Mountain Care Board shall compile the information reported pursuant to subsection (a) of this section into a consumer-friendly report that demonstrates the overall impact of drug costs on health insurance premiums. The data in the report shall be aggregated and shall not reveal information as specific to a particular health benefit plan.

(c) The Board shall publish the report required pursuant to subsection (b) of this section on its website on or before January 1 of each year.

**Green Mountain Care Board**  
**Impact of Prescription Drug Costs on Health Insurance Premiums**  
Request for Data

Pursuant to 18 V.S.A. §4636, please provide the following information and data:

1. Explain the flow of prescription drugs and money from the manufacturer to your company's customers. In this explanation, please include:
  - a. The role of each industry segment involved in the supply chain process (manufacturer, wholesaler distributor, pharmacies, pharmacy benefit managers, etc).
  - b. The flow of funds between each industry segment, including stages at which discounts and rebates are negotiated.
  - c. How does your company determine AWP? For example, does your company subscribe to a commercial drug information price database, and if so, please provide the name of that company.
  
2. Using the attached form, demonstrate the overall impact on premiums for all covered prescription drugs in the 3 categories listed below. All covered prescription drugs includes generic drugs, brand-name drugs, and specialty drugs provided in an outpatient setting or sold in a retail setting. The requested information is limited to rates reviewed by the Green Mountain Care Board (fully-insured individual, small group and large group):
  - a. 25 most frequently prescribed drugs and the average wholesale price for each drug;
  - b. 25 highest priced drugs by total plan spending and the average wholesale price for each drug; and
  - c. 25 drugs with the highest year-over-year price increases and the average wholesale price for each drug

Instructions:

- a. Review is limited to filings reviewed by the Green Mountain Care Board: fully-insured individual, small group and large group plans. Please calculate requested data based on the sum of subject filings.
- b. The average wholesale price should be reporting according to its cost on January 1, 2018.
- c. Indicate the National Drug Code for each product.
- d. Submit for to the Green Mountain Care Board no later than November 16, 2018.  
Email: [agatha.kessler@vermont.gov](mailto:agatha.kessler@vermont.gov)