

# VIRGINIA'S PRESCRIPTION DRUG PRICING TRANSPARENCY REPORT

## DATA COLLECTION PROCESS

All organizations submitted files through a standardized web tool specifically created for the program. Filings were validated and later combined with data from the Virginia All Payer Claims Database (APCD), as well as wholesale pricing data (MediSpan) and pharmacy purchase cost data (NADAC) to provide more a comprehensive view on differences in drug prices throughout the supply chain.



22

Health Insurance Carriers



10

PBMs



22

Drug Manufacturers

\* 154 manufacturers did not meet the requirements to file based on statutory criteria

## PURPOSE

VHI's Prescription Drug Pricing Report was created under Virginia law [§ 32.1-23.4](#), as further set forth in [12VAC5-219](#) to increase prescription drug pricing transparency within Virginia and determine drivers of large price increases within the broader supply chain. Data was required to be submitted by health benefit plans, pharmacy benefits managers (PBMs), and drug manufactures on select drugs with high prices, high fill volumes or large cost increases.

## FEATURES OF REPORT

The inaugural Prescription Drug Pricing Public Report was designed as an interactive dashboard with multiple options for analysis including:



Breakouts for brand vs generic drugs



Easy comparisons of wholesale prices and price increases, pharmacy purchase prices and insurance paid amounts for included drugs



Mappings of drug codes into broader drug names and categories for ease of interpretation

## LIMITATIONS & AREAS FOR IMPROVEMENT

**1** The initial collection guidelines for 2022 did not require National Drug Code (NDC) which made report preparation more difficult and manual.

**2** The report had to be limited to individuals with commercial insurance coverage only as reporting for other insurance types such as Medicaid or Medicare was inconsistent.

## MAJOR FINDINGS

**1** The price paid by insurance companies and pharmacies was often less than the suggested Wholesale Acquisition Cost (WAC) for a given drug.

**2** The 25 drugs with the highest combined insurance company and patient spending accounted for nearly 1/3rd of overall prescription drug spending for individuals with commercial coverage (APCD).

**3** Of the \$110 million in reported rebates for high-cost drugs, only about \$2 million was reported as being passed on to the health benefit plan enrollee at the point of sale.

**4** The Highest WAC increase recorded for the year was for Glipizide (range from 11-25%). No other drugs reported an increase in WAC in excess of 10%.