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November 16, 2017

**MEMORANDUM**

TO: Representative Patricia Lundstrom, Chair, LFC  
Senator John Arthur Smith, Vice-Chair, LFC  
Representative Deborah Armstrong, Chair, LHHS  
Senator Gerald Ortiz y Pino, Vice-Chair, LHHS  
LFC and LHHS Members

THROUGH: David Abbey, LFC Director  
Charles Sallee, LFC Deputy Director

FROM: Jenny Felmley, Ph.D., Program Evaluator, LFC

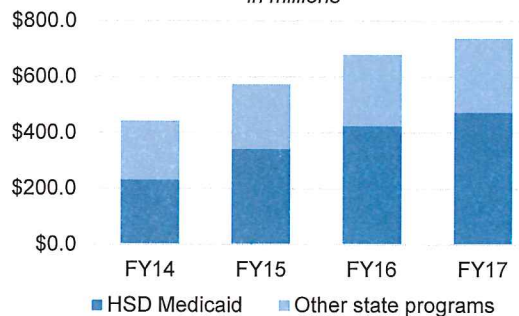
**SUBJECT: Senate Memorial 99, State Agency Prescription Drug Savings**

**Summary.** Senate Memorial 99 (SM99), sponsored by Senator Jeff Steinborn and passed during the 2017 legislative session, requested the LFC to gather new prescription drug spending data from the 10 state agencies and entities included in the 2016 LFC Health Note, *Prescription Drug Costs: Maximizing State Agency Purchasing Power*, and then compile this information and identify the top 30 prescription drugs by total fiscal impact, per unit price, price growth, and total rebates captured.

*State agencies spent over \$737.8 million on prescription drugs in FY17, an 8 percent increase from FY16.* Growth is driven by an 11 percent increase for the Medicaid program alone, and a 3 percent increase for all other state agencies combined. Some of the change is due to more prescriptions, but as the following sections will show, most is due to the continued rise in drug costs.

Some state agencies were unable to provide all of the data requested for this review, highlighting the finding from last year’s report that state agencies need better oversight, reporting and transparency regarding their prescription drug spending.

Chart 1: State Prescription Drug Spending  
in millions



Source: LFC analysis of agency data

**Background.** The state agencies and entities included in the 2016 LFC Health Note were: the Children, Youth and Families Department (CYFD), the Corrections Department (NMCD), the Department of Health (DOH), the Human Services Department (HSD), the UNM employee and UNM Hospital employee health plans, and the member agencies of the Interagency Benefits Advisory Committee (IBAC): Albuquerque Public Schools (APS), the General Services Department (GSD), the New Mexico Public School Insurance Authority (NMPSIA), and the Retiree Health Care Authority (RHCA).

The previous study reviewed in some depth total spending and utilization trends for prescription drugs for each agency, as well as each agency's structure for purchasing drugs, key cost drivers and conditions, and unique challenges. One key finding of that review was that in New Mexico, as is true around the country, drug costs were rising faster than utilization, increasing from \$442 million in FY14 to over \$679 million in FY16. A second key finding was there appeared to be further opportunities for cost savings to the state through collaborative purchasing arrangements and improved state agency oversight, reporting and transparency.

SM99 requested a deeper dive into specific areas of the earlier report. The LFC was tasked to collect information from each agency/entity identifying:

- The 30 most utilized prescription drugs;
- The 30 prescription drugs with the highest per unit price;
- The 30 prescription drugs with the highest price growth between FY12 and FY16; and
- The 30 prescription drugs that constitute the greatest expenditure to the agency budget.

The LFC was further tasked to compile the data and identify:

- The total fiscal impact of each of the top 30 prescription drugs;
- The per unit price paid for the top 30 prescription drugs;
- The price growth between FY12 and FY16 for each of the top 30 prescription drugs; and
- The total rebates captured for the top 30 prescription drugs.

Lastly, the LFC was requested to report its findings and recommendations for achieving greater state agency savings in prescription drug and pharmacy benefits purchasing to the LFC and the LHHS. The following sections of this report review the key findings from each set of categories, and the compiled and aggregated data for each 'top 30' list can be found in Attachments A – J.

For some state agencies, providing the data for this review was challenging. Changing pharmacy benefit managers (PBM) and wholesalers made it impossible for some agencies and individual DOH facilities to gather the data necessary to determine price growth from FY12 through FY16, as they could only provide data from the current contractor – in some cases the agency/facility was able to determine detailed spending for just the last year. Because of gaps and inconsistencies in agency data, the totals included in each of the attached 'top 30' sheets will not necessarily match and all totals presented in this memo are approximate.



**Total fiscal impact of each of the top 30 prescription drugs.** Spending on the top 30 drugs increased by 9 percent from FY16 to FY17, from \$266.4 million to \$291.6 million. The major cost drivers identified in last year’s Health Note are still present, and the top 30 list is dominated by spending on very expensive, mostly non-generic drugs to treat diabetes, cancer, inflammatory conditions, and hepatitis C. Also among the top 30 are drugs to treat asthma, HIV, and narcotic withdrawal, as well as several behavioral health medications. See Attachments A and B.

It is interesting to note that none of the drugs on the top spending list are in the top 30 of any other category: they are not the most prescribed, they are not the highest per unit cost, and they are not among the highest in cost growth. These drugs reach the top of the spending list by a combination of all of the factors that go into drug costs.

**Table 1: FY17 New Mexico State Prescription Drug Spending**  
*in millions*

	HSD – Medicaid	IBAC employee and retiree plans	UNM and UNMH employee plans	NMCD	DOH	CYFD	Total
Total spending on prescription drugs	\$473.5	\$229.8	\$24.9	\$6.3	\$3.1	\$0.2	\$737.8
Change in spending, FY16 – FY17	10.9%	4.5%	5.3%	- 33.7%	13.5%	0.9%	8%
Prescription drug rebates received	\$300.4	\$47.0	\$2.5*	n/a	\$0.13*	n/a	\$350

\* No rebates reported for UNMH; not all DOH facilities reported rebates.  
Source: LFC analysis of agency data

**The per unit price paid for the top 30 prescription drugs.** This review looked at price increases at the granular level: per-unit pricing, meaning the price for an individual pill, capsule, injection, etc. For the top 30 drugs each year, the average per unit price increased by approximately 34 percent, from \$5,701 in FY16 to \$7,643 in FY17. That increase is partly due to actual price increases, but also reflects differences in the mix of top 30 drugs – there are some very expensive drugs on the FY17 list that were not on the FY16 list. Notably, every drug on this list is a brand name drug, and many are specialty biologic drugs. See Attachments E and F. Equally notable is that these very high cost drugs typically do not make up a large portion of total agency spend. For example, HSD reported that for Medicaid, the top 30 most expensive drugs made up only 6.7 percent of the total drug spend.

Other drugs whose high cost have been of great concern to the state do not appear on this list for a variety of reasons. The various medications for hepatitis C, for example, are usually spoken of as cost per course of treatment, rather than per unit. Although all priced at over \$1,000 per unit, none made the top 30 list because the lowest cost drugs on those lists were even more costly, at over \$2,000 per unit. Similarly, spending for diabetes and inflammatory conditions is driven by not just the cost of the drugs but also the fact that these are chronic conditions and require frequent medication.

It is very difficult to aggregate and compare per unit drug prices. Many drugs are dispensed in multiple dosage strengths and possibly also delivery systems (eg pills, inhalers,

injections, etc.). To avoid having the top 30 drug lists be dominated by 10 or 12 drugs with all of their multiple formulations listed, each drug was aggregated onto a single line for each agency, and then again for the whole set of agencies. The per-unit prices found here are not the precise amount paid by any agency, but rather the average across all formulations and all agencies.

Per unit costs were possibly the greatest challenges to the agencies. Some simply did not have access to this information, others were not able to provide accurately and therefore chose not to provide at all. Agency difficulties with providing per unit data arose for different reasons. The DOH facilities, for example, purchase drugs by the box or package, and dispense them directly. Some facilities have records indicating how many units were in a package but some do not, and without that information no per unit price can be calculated. Due to lack of data from some agencies and the need to aggregate and average costs across multiple agencies, it turned out to simply not be possible to collect uniform and accurate unit price costs. Therefore price per-unit data is a best estimate using available information.

**The price growth between FY12 and FY16 for each of the top 30 prescription drugs.**

The drugs in the top 30 list by price increase saw their per unit prices increase between 1,228 percent and an astounding 8,078 percent for the top drug, a commonly prescribed, generic antibiotic. Dozens of other drugs increased in price by between 100 percent and 1,000 percent. See Attachment G for FY12 – FY16 price changes; Attachments H and I have additional FY16 to FY17 price change information, submitted by some agencies, that shows some drugs continuing their upward price trajectory, and others stalling or even dropping in price.

Please note that the top 30 list is driven by a host of low cost drugs where even small increases in price result in large percentage gains. Other drugs whose price increases have made big news, like the Epipen and naloxone, with 500 percent and 250 percent increases respectively, do not make this list. Whether many small increases in dollar amount are more or less significant than other, larger increases would depend on an individual agency's or plan's utilization, ability to negotiate discounts, and other pricing factors. For example, Express Scripts, the PBM for IBAC, reported that although Anosul-HC showed a 3,500 percent increase between FY12 and FY16, it has had very low utilization, only six prescriptions at a total cost of \$2,500, making the change in price insignificant. HSD reported the top 30 by price increase represented only 1.1 percent of its total FY17 spend.

That said, the increases shown on the top 30 list are remarkable and merit further investigation, and they help demonstrate the overall trend of increases in drug prices that drive state agency spending on drugs far more than increases in utilization. They also demonstrate the variety of reasons a drug may increase in price: while new brand and generic drugs, protected by periods of low competition, can raise prices annually, other price increases may be the result of market consolidation which gives the remaining manufacturer greater ability to raise prices on even common generics; Express Scripts reported this was the case for antibiotics tetracycline hcl and doxycycline hyclate. Interestingly, as Attachment H shows, the price per unit state agencies paid for tetracycline



dropped by 13 percent between FY16 and FY17, while Attachment I shows the price for doxycycline hyclate continued to climb by another 85 percent.

However, it is also important to remember that the per unit prices used in this brief review are aggregates of multiple forms of the same drug – meaning, for example, that very high dose formulations are averaged in with lower dose, or relatively lower cost pills may be averaged with typically higher cost injections. The same drug may also have different prices when used for different conditions. Best efforts were made to keep drugs separated by indication, but there may be cases where multiple indications were merged, leading to an overstatement of price growth. A truer evaluation of drug price increases would require more exacting comparison.

**The total rebates captured for the top 30 prescription drugs.** State agencies reported a total of \$258.2 million in rebates collected for all drugs in FY16, and \$307.7 million collected in FY17, a 19 percent increase. These numbers are imprecise, however, because some agencies and facilities were unable to provide even the total amount of subsidies received. Gathering comprehensive detailed data on drug rebates was impossible, because no pharmacy benefit manager (PBM) will release drug-specific rebates out of concern for compromising their future negotiating position with drug manufacturers. Express Scripts, the PBM for the IBAC agencies and for the UNM employee health plan, provided drug rebates by major conditions, as did Blue Cross Blue Shield, the PBM for the UNM Hospital employee plan; see Attachment J. HSD provided data regarding the total rebates received, but reported that detail by drug or therapeutic class is not available to the agency.

**Agency responses.** This report follows the line of inquiry established by SM 99 closely, and does not provide the same in-depth analysis of agency spending as last year's Health Note. After reading a draft of the report, several participating agencies requested that at least some discussion be included regarding factors other than price that influence their spending. For example, HSD pointed out that the increase in its drug costs are driven somewhat by increased enrollment, as well as the persistently high prices of specialty medications. HSD reported that while its cost per course of treatment for hepatitis C has dropped from an average of \$89,000 in 2015 to a projected average of \$39,000 for 2018, hepatitis C continues to be a cost driver for the Medicaid program because HSD is focused on treating as many people as possible to reduce longer term health costs.

In response to high prices and/or large price increases, all of the employee plans as well as the Medicaid MCOs may make adjustments to their formulary and prior authorization processes to encourage members to use less-expensive medications when clinically appropriate. So as noted above, many of the high per unit cost drugs, and the drugs with high price increases, have less of an impact on total agency spending than it might appear.

Several agencies also pointed out that the total spending amounts included here are gross or plan cost, and do not subtract subsidies or rebates. That is because no agency could provide drug-specific rebate or subsidy information, and total and per-drug spending was reported consistently throughout.

**Conclusion.** Establishing the real prices paid for prescription drugs by state agencies is an enormously complex task, as this brief review shows. At the agency level, there are serious problems with the ways some agencies and state facilities maintain – or fail to maintain – basic information about what they are spending. The LFC has noted the difficulties posed when state data is owned by contractors rather than state agencies in previous evaluations; prescription drug data is one more unfortunate example of this phenomenon. Even the agencies that do retain good access to their data, however, like the Human Services Department and the IBAC agencies, are barred by contractual arrangements from obtaining some details like per-drug rebates and subsidies.

That said, the true challenge to obtaining full data about prescription drug costs is the systemic lack of transparency of the drug industry itself. There are many complex and interactive factors at work: multiple formulations, dosages and indications for every drug; brand name and generic versions; different prices to every buyer dependent on a host of factors including PBM negotiating power, plan size, membership and plan design; different discounts and rebates for each drug and for each purchaser. Because of all of these factors, even the four IBAC agencies, which consolidate their pharmacy benefits with a single PBM, pay different prices for most drugs.

This brief review is able to provide some insight into some approximate data about state agency spending on prescription drugs. The next steps in any effort to fully understand state spending and, perhaps, to gain some measure of control over it, require both addressing the shortcomings of state agencies in oversight of their own spending information and obtaining even more granular data that allows more direct, apples-to-apples comparison.



<b>Attachment A: Top 30 drugs by spending, FY16</b>				
<b>2016 Rank</b>	<b>Drug name</b>	<b>Brand drug</b>	<b>Indication</b>	<b>Total cost to agencies</b>
1	Harvoni	Y	Hepatitis C	\$33,798,126
2	Lantus	Y	Diabetes	\$24,664,397
3	Sovaldi	Y	Hepatitis C	\$24,408,214
4	Humira	Y	Inflammatory conditions	\$22,272,174
5	Viekira Pak	Y	Hepatitis C	\$14,021,004
6	Aripiprazole	N	Antipsychotic	\$13,486,439
7	Enbrel	Y	Inflammatory conditions	\$12,751,159
8	Novolog	Y	Diabetes	\$10,619,851
9	Suboxone	Y	Narcotic withdrawal	\$10,015,882
10	Levemir	Y	Diabetes	\$9,073,381
11	Humalog	Y	Diabetes	\$8,372,441
12	Daklinza	Y	Hepatitis C	\$8,222,299
13	Ventolin HFA	Y	Asthma	\$6,806,045
14	Januvia	Y	Diabetes	\$6,165,239
15	Lyrica	Y	Pain/inflammation	\$5,781,429
16	Symbicort	Y	Asthma	\$5,563,756
17	Methylphenidate	N	ADHD	\$5,048,135
18	Truvada	Y	HIV	\$5,032,692
19	Flovent HFA	Y	Asthma	\$4,887,476
20	Advair	Y	COPD/asthma	\$3,984,989
21	Stribild	Y	HIV	\$3,885,985
22	Revlimid	Y	Cancer	\$3,880,057
23	Crestor	Y	High blood cholesterol	\$3,843,153
24	Copaxone	Y	Multiple sclerosis	\$3,308,469
25	Qvar	Y	Asthma	\$2,989,794
26	Vyvanse	Y	ADHD	\$2,982,917
27	Epinephrine	N	Anaphylaxis	\$2,917,509
28	Xifaxan	Y	Hepaticencephalopathy, irritable bowel syndrome	\$2,772,488
29	Quetiapine fumarate	N	Antipsychotic	\$2,635,772
30	Esomeprazole magnesium	N	Heartburn/ulcer disease	\$2,209,410
			<b>TOTAL</b>	<b>\$266,400,682</b>

Source: LFC analysis of agency data

<b>Attachment B: Top 30 drugs by spending, FY17</b>				
<b>2017 Rank</b>	<b>Drug name</b>	<b>Brand drug</b>	<b>Indication</b>	<b>Total cost to agencies</b>
1	Humira	Y	Inflammatory conditions	\$29,955,439
2	Epclusa	Y	Hepatitis C	\$27,275,632
3	Symbicort	Y	Asthma	\$26,453,318
4	Zepatier	Y	Hepatitis C	\$24,678,149
5	Lantus	Y	Diabetes	\$21,864,693
6	Harvoni	Y	Hepatitis C	\$16,986,016
7	Enbrel	Y	Inflammatory conditions	\$16,387,774
8	Novolog	N	Diabetes	\$13,139,905
9	Suboxone	Y	Narcotic withdrawal	\$12,625,150
10	Humalog	Y	Diabetes	\$10,070,576
11	Ventolin HFA	N	Asthma	\$8,324,405
12	Januvia	Y	Diabetes	\$7,194,205
13	Sovaldi	Y	Hepatitis C	\$6,851,665
14	Aripiprazole	N	Antipsychotic	\$6,245,502
15	Lyrica	Y	Pain/inflammation	\$6,192,207
16	Methylphenidate	N	ADHD	\$5,754,138
17	Genvoya	Y	HIV	\$5,217,300
18	Revlimid	Y	Cancer	\$4,885,425
19	Flovent HFA	N	Asthma	\$4,486,882
20	Levemir	Y	Diabetes	\$4,379,382
21	Truvada	Y	HIV	\$4,016,256
22	Daklinza	Y	Hepatitis C	\$3,724,361
23	Xifaxan	Y	Hepaticencephalopathy, irritable bowel syndrome	\$3,533,470
24	Viekira Pak	Y	Hepatitis C	\$3,508,876
25	Qvar	Y	Asthma	\$3,311,009
26	Tivicay	Y	HIV	\$3,202,126
27	Vyvanse	Y	ADHD	\$3,045,427
28	Quetiapine fumarate	N	Antipsychotic	\$2,803,402
29	Epinephrine	N	Anaphylaxis	\$2,791,754
30	Copaxone	Y	Multiple sclerosis	\$2,672,460
			<b>TOTAL</b>	<b>\$291,576,904</b>

Source: LFC analysis of agency data



Attachment C: Top 30 drugs by utilization (number of scripts), FY16					
2016 rank	Drug name	Brand drug	Indication	Total cost to agencies	Number of scripts
1	Lisinopril	N	High blood pressure/heart disease	\$705,792	282,556
2	Levothyroxine sodium	N	Thyroid disorders	\$2,914,209	249,435
3	Amoxicillin	N	Infections	\$2,101,715	246,094
4	Ibuprofen	N	Pain/inflammation	\$1,093,284	242,125
5	Hydrocodone-acetaminophen	N	Pain/inflammation	\$2,631,128	218,161
6	Omeprazole	N	Heartburn/ulcer disease	\$1,234,809	202,738
7	Metformin	N	Diabetes	\$1,146,248	172,474
8	Gabapentin	N	Pain/inflammation	\$2,728,934	158,459
9	Oxycodone	N	Pain/inflammation	\$3,567,627	132,867
10	Azithromycin	N	Infections	\$1,231,266	131,852
11	Ventolin HFA	Y	Asthma	\$6,806,045	125,235
12	Fluticasone	N	Allergies	\$1,250,394	117,244
13	Sertraline	N	Depression/anxiety	\$451,540	110,415
14	Simvastatin	N	High blood cholesterol	\$393,137	108,937
15	Atorvastatin calcium	N	High blood cholesterol	\$1,111,311	104,417
16	Amlodipine besylate	N	High blood pressure/heart disease	\$356,843	99,030
17	Hydrochlorothiazide	N	High blood pressure/heart disease	\$167,705	93,841
18	Cetirizine hcl	N	Antihistamine	\$554,556	93,043
19	Montelukast sodium	N	Asthma	\$1,191,272	82,021
20	Fluoxetine	N	Depression	\$825,759	75,810
21	Alprazolam	N	Anxiety	\$290,335	73,197
22	Tramadol	N	Pain/inflammation	\$310,833	72,218
23	Citalopram	N	Depression	\$172,371	72,134
24	Trazodone hcl	N	Sleep disorders	\$330,855	69,670
25	Cyclobenzaprine hcl	N	Skeletal muscle relaxants	\$238,202	59,127
26	Prednisone	N	Inflammation/immune disorders	\$266,517	58,676
27	Cephalexin	N	Infections	\$681,144	56,621
28	Clonazepam	N	Anticonvulsants	\$166,157	48,371
29	Metoprolol	N	High blood pressure/heart disease	\$558,128	40,095
30	Losartan potassium	N	High blood pressure/heart disease	\$202,854	35,220
			<b>TOTAL</b>	<b>\$35,680,970</b>	<b>3,632,083</b>

Source: LFC analysis of agency data

Attachment D: Top 30 drugs by utilization (number of scripts), FY17					
2017 rank	Drug name	Brand drug	Indication	Total cost to agencies	Number of scripts
1	Lisinopril	N	High blood pressure/heart disease	\$696,855	285,744
2	Ibuprofen	N	Pain/inflammation	\$1,184,210	254,264
3	Levothyroxine sodium	N	Thyroid disorders	\$2,814,611	247,757
4	Amoxicillin	N	Infections	\$2,028,369	235,036
5	Hydrocodone-acetaminophen	N	Pain/inflammation	\$2,165,145	194,625
6	Gabapentin	N	Pain/inflammation	\$3,020,932	192,089
7	Omeprazole	N	Heartburn/ulcer disease	\$1,099,702	179,422
8	Metformin	N	Diabetes	\$1,233,068	175,969
9	Ventolin HFA	Y	Asthma	\$8,324,405	142,676
10	Atorvastatin calcium	N	High blood cholesterol	\$1,597,778	129,808
11	Fluticasone	N	Allergies	\$1,368,895	127,957
12	Oxycodone	N	Pain/inflammation	\$3,049,386	120,947
13	Azithromycin	N	Infections	\$1,044,785	117,989
14	Sertraline	N	Depression/anxiety	\$483,265	113,759
15	Amlodipine besylate	N	High blood pressure/heart disease	\$389,853	102,655
16	Cetirizine hcl	N	Antihistamine	\$615,768	98,830
17	Simvastatin	N	High blood cholesterol	\$368,182	95,370
18	Hydrochlorothiazide	N	High blood pressure/heart disease	\$161,576	91,773
19	Montelukast sodium	N	Asthma	\$1,316,100	89,081
20	Trazodone	N	Antidepressant	\$419,750	85,879
21	Prednisone	N	Inflammation/immune disorders	\$290,499	82,019
22	Tramadol	N	Pain/inflammation	\$301,458	70,013
23	Citalopram	N	Depression	\$163,238	68,745
24	Alprazolam	N	Anxiety	\$261,763	67,960
25	Fluoxetine	N	Depression	\$742,882	59,956
26	Cyclobenzaprine hcl	N	Skeletal muscle relaxants	\$238,547	58,970
27	Cephalexin	N	Infections	\$707,554	58,687
28	Ranitidine	N	Ulcers, GERD, heartburn	\$284,088	50,048
29	Losartan potassium	N	High blood pressure/heart disease	\$272,906	36,640
30	Metoprolol succinate	N	High blood pressure/heart disease	\$514,197	29,254
			<b>TOTAL</b>	<b>\$37,159,767</b>	<b>3,663,922</b>

Source: LFC analysis of agency data



<b>Attachment E: Top 30 drugs by per unit price, FY16</b>					
<b>2016 rank</b>	<b>Drug name</b>	<b>Brand drug</b>	<b>Indication</b>	<b>Total cost to agencies</b>	<b>Average per unit price</b>
1	Supprelin LA	Y	Precocious puberty (implant)	\$23,357	\$23,357
2	Stelara	Y	Inflammatory conditions	\$1,396,584	\$17,635
3	Signifor	Y	Endocrine disorders	\$116,945	\$11,695
4	Somatuline	Y	Endocrine disorders	\$80,577	\$11,511
5	Neulasta	Y	Blood cell deficiency	\$258,588	\$8,158
6	H.P. Acthar	Y	Multiple sclerosis, inflammatory conditions	\$962,669	\$6,906
7	Simponi	Y	Inflammatory conditions	\$717,174	\$6,276
8	Strensiq	Y	Enzyme deficiencies	\$953,551	\$5,758
9	Lupron Depot- pediatric	Y	Endocrine disorders	\$94,480	\$5,621
10	Plegridy pen	Y	Multiple sclerosis	\$400,560	\$5,549
11	Entyvio	Y	Inflammatory conditions	\$10,220	\$5,110
12	TNKase	Y	Thrombolytic enzymes, blood clots	\$4,945	\$4,945
13	Avonex	Y	Multiple sclerosis	\$2,683,599	\$4,850
14	Evzio	Y	Opioid overdose	\$3,701	\$4,626
15	DermacinRx SilaPak	Y	Skin conditions	\$17,236	\$4,309
16	Natpara	Y	Endocrine disorders	\$84,916	\$4,228
17	Sandostatin	Y	Endocrine disorders	\$165,224	\$4,085
18	Xiaflex	Y	Tendon contractures	\$22,072	\$3,678
19	Eligard	Y	Cancer	\$23,745	\$3,230
20	Cosentyx	Y	Inflammatory conditions	\$190,941	\$3,167
21	Cimzia	Y	Inflammatory conditions	\$1,695,453	\$3,061
22	Lupron Depot	Y	Cancer, endometriosis	\$375,890	\$2,988
23	Lupaneta	Y	Endocrine disorders	\$2,962	\$2,962
24	Ninlaro	Y	Cancer	\$97,804	\$2,934
25	Synagis	Y	Respiratory virus	\$1,186,388	\$2,719
26	Crofab	Y	Antivenins	\$15,455	\$2,576
27	Nucala	Y	Asthma	\$12,549	\$2,546
28	Firazyr	Y	Hereditary angioedema	\$307,365	\$2,329
29	Sylatron	Y	Cancer	\$17,113	\$2,139
30	HyperRAB	Y	Post-exposure rabies vaccine	\$43,754	\$2,084
			<b>TOTAL/AVERAGE</b>	\$11,965,816	\$5,701

Source: LFC analysis of agency data

<b>Attachment F: Top 30 drugs by per unit price, FY17</b>					
<b>2017 rank</b>	<b>Drug name</b>	<b>Brand drug</b>	<b>Indication</b>	<b>Total cost to agencies</b>	<b>Average per unit price</b>
1	Eylea	Y	Ophthalmic conditions	\$30,860	\$38,233
2	Supprelin LA	Y	Precocious puberty (implant)	\$55,707	\$27,853
3	Somatuline	Y	Endocrine disorders	\$64,672	\$12,934
4	Signifor	Y	Endocrine disorders	\$131,169	\$11,924
5	Stelara	Y	Inflammatory conditions	\$2,373,662	\$11,486
6	Neulasta	Y	Blood cell deficiency	\$298,215	\$8,924
7	Iluvien	Y	Ophthalmic conditions	\$8,259	\$8,259
8	Actimmune	Y	Immune deficiency	\$238,376	\$7,946
9	H.P. Acthar	Y	Multiple sclerosis, inflammatory conditions	\$717,099	\$7,171
10	Zinbryta	Y	Multiple sclerosis	\$96,925	\$6,988
11	Simponi	Y	Inflammatory conditions	\$873,099	\$6,920
12	Plegridy pen	Y	Multiple sclerosis	\$505,633	\$6,124
13	Lupron Depot-pediatric	Y	Endocrine disorders	\$54,233	\$5,771
14	Sandostatin	Y	Endocrine disorders	\$100,985	\$5,610
15	Avonex	Y	Multiple sclerosis	\$2,993,000	\$5,393
16	TNKase	Y	Thrombolytic enzymes	\$10,572	\$5,286
17	Entyvio	Y	Inflammatory conditions	\$182,533	\$5,228
18	Evzio	Y	Opioid overdose	\$17,909	\$4,980
19	Fabrazyme	Y	Metabolic disease enzyme replacement	\$129,383	\$4,792
20	Taltz autoinjector	Y	Inflammatory conditions	\$60,815	\$4,766
21	Natpara	Y	Endocrine disorders	\$314,709	\$4,339
22	Xiaflex	Y	Tendon contractures	\$88,803	\$3,711
23	Cimzia	Y	Inflammatory conditions	\$1,557,123	\$3,463
24	Firazyr	Y	Hereditary angioedema	\$256,311	\$3,164
25	Lupron Depot	Y	Cancer, endometriosis	\$386,322	\$3,155
26	Ninlaro	Y	Cancer	\$893,668	\$3,081
27	Cosentyx	Y	Inflammatory conditions	\$967,815	\$3,053
28	Cinryze	Y	Hereditary angioedema	\$8,839	\$2,946
29	Lupaneta	Y	Endocrine disorders	\$5,891	\$2,945
30	Synagis	Y	Respiratory virus	\$1,440,589	\$2,857
			<b>TOTAL/AVERAGE</b>	<b>\$ 14,863,176</b>	<b>\$7,643</b>

Source: LFC analysis of agency data



Attachment G: Top 30 drugs by price increase between FY12 and FY16						
Rank	Drug name	Brand drug*	Indication	List Price Per Unit FY12	List Price Per Unit FY16	Percent increase in price growth
1	Tetracycline hcl	N	Infections	\$0.09	\$7.36	8,078%
2	Cefazolin sodium	N	Antibiotic	\$0.03	\$1.66	4,930%
3	Vancomycin hcl	N	Antibiotic	\$0.21	\$8.94	4,172%
4	Nitroglycerin	N	Vasodilators, coronary	\$0.77	\$24.01	3,020%
5	Methergine	N	Child birth	\$1.50	\$43.06	2,771%
6	Epinastine hcl	N	Eye antihistamines	\$0.40	\$11.02	2,655%
7	Zantac	Y	Acid reflux, stomach ulcers	\$0.20	\$5.40	2,653%
8	Anusol-HC	Y	Rectal preparations	\$1.39	\$36.37	2,522%
9	RID	Y	Topical anti-parasitic	\$0.09	\$1.95	2,194%
10	Provera	Y	Hormone therapy	\$0.18	\$3.95	2,157%
11	Thiola	Y	Kidney stone agents	\$1.12	\$24.72	2,107%
12	Zyvox	Y	Antibiotic	\$8.07	\$177.02	2,094%
13	Sodium chloride	N	Sodium/saline preparations	\$0.02	\$0.52	2,046%
14	Syprine	Y	Metallic poison	\$10.09	\$213.00	2,012%
15	Viagra	Y	Erectile dysfunction	\$1.78	\$37.09	1,988%
16	Cordran	Y	Topical anti-inflammatory steroidal	\$14.57	\$291.03	1,897%
17	Ampicillin sodium	N	Antibiotic	\$0.51	\$10.00	1,870%
18	Clomipramine hcl	N	Pain/inflammation	\$0.48	\$9.03	1,781%
19	Vimovo	Y	Pain/inflammation	\$1.67	\$31.00	1,756%
20	Mometasone furoate	N	Skin conditions	\$0.66	\$11.86	1,690%
21	Colchicine	Y	Gout	\$0.33	\$5.52	1,573%
22	Potassium citrate-citric acid	N	Low potassium, kidney stones	\$0.04	\$0.64	1,566%
23	Risperdal	Y	Antipsychotic	\$0.76	\$12.60	1,560%
24	Anucort-HC	N	Rectal disorders	\$0.87	\$14.36	1,551%
25	Captopril	N	High blood press/heart disease	\$0.07	\$1.14	1,529%
26	Millipred	N	Inflammation/immune disorders	\$0.43	\$6.94	1,514%
27	Midazolam hcl	N	General anesthetic, injectable	\$0.07	\$1.02	1,411%
28	Pennsaid	Y	Pain/inflammation	\$1.10	\$15.84	1,340%
29	Zosyn	Y	Antibiotic	\$0.05	\$0.72	1,262%
30	Donnatal	Y	GI disorders	\$0.47	\$6.24	1,228%

\* Some drugs may have shifted from brand to generic  
Source: LFC analysis of agency data

Attachment H: Same top 30 drugs as Attachment G, with FY17 price changes					
Rank	Drug name	Brand drug*	Indication	Increase in price FY12 – FY16	Change in price FY16 – FY17
1	Tetracycline hcl	N	Infections	8,078%	-13%
2	Cefazolin sodium	N	Antibiotic	4,930%	33%
3	Vancomycin hcl	N	Antibiotic	4,172%	-84%
4	Nitroglycerin	N	Vasodilators, coronary	3,020%	-97%
5	Methergine	N	Child birth	2,771%	-4%
6	Epinastine hcl	N	Eye antihistamines	2,655%	-11%
7	Zantac	Y	Acid reflux, stomach ulcers	2,653%	6%
8	Anusol-HC	Y	Rectal preparations	2,522%	-12%
9	RID	Y	Topical antiparasitics	2,194%	-89%
10	Provera	Y	Hormone therapy	2,157%	-2%
11	Thiola	Y	Kidney stone agents	2,107%	-13%
12	Zyvox	Y	Antibiotic	2,094%	-37%
13	Sodium chloride	N	Sodium/saline preparations	2,046%	-52%
14	Syprine	Y	Metallic poison	2,012%	-1%
15	Viagra	Y	Erectile dysfunction	1,988%	46%
16	Cordran	Y	Topical anti-inflammatory steroidal	1,897%	84%
17	Ampicillin sodium	N	Antibiotic	1,870%	-5%
18	Clomipramine hcl	N	Depression, OCD	1,781%	-15%
19	Vimovo	Y	Pain/inflammation	1,756%	47%
20	Mometasone furoate	N	Skin conditions	1,690%	n/a
21	Colchicine	Y	Gout	1,573%	-1%
22	Potassium citrate-citric acid	N	Low potassium, kidney stones	1,566%	-87%
23	Risperdal	Y	Antipsychotic	1,560%	-19%
24	Anucort-HC	N	Rectal disorders	1,551%	12%
25	Captopril	N	High blood press/heart disease	1,529%	-7%
26	Millipred	N	Inflammation/immune disorders	1,514%	29%
27	Midazolam hcl	N	General anesthetics	1,411%	9%
28	Pennsaid	Y	Pain/inflammation	1,340%	43%
29	Zosyn	Y	Antibiotic	1,262%	-33%
30	Donnatal	Y	GI disorders	1,228%	147%

\* Some drugs may have shifted from brand to generic  
Source: LFC analysis of agency data



Attachment I: Top 30 drugs by price increase between FY16 and FY17						
Rank	Drug name	Brand drug*	Indication	List Price Per Unit FY16	List Price Per Unit FY17	Percent increase in price growth
1	Theophylline anhydrous	N	Asthma	\$0.24	\$2.27	850%
2	Ortho tricyclen	Y	Contraceptive	\$1.62	\$15.27	843%
3	Neurontin	N	Pain/inflammation	\$1.32	\$11.00	736%
4	Pacerone	N	Irregular heart beat	\$0.56	\$3.47	521%
5	Metronidazole vaginal	N	Vaginal antibiotic	\$0.67	\$3.73	457%
6	Terbutaline sulfate	N	Asthma	\$1.36	\$3.76	176%
7	Donnatal	Y	GI disorders	\$3.80	\$9.37	147%
8	Xylocaine	Y	Local anesthetic	\$2.83	\$6.61	134%
9	Doxycycline hyclate	N	Antibiotic	\$3.92	\$7.27	85%
10	Cordran	Y	Topical anti-inflammatory steroidal	\$291.03	\$534.88	84%
11	Clindamycin hcl	N	Antibacterial	\$5.19	\$9.14	76%
12	Lanoxin	Y	Heart disease	\$3.91	\$6.69	71%
13	Actemra	Y	Inflammatory conditions	\$969.54	\$1,611.79	66%
14	Duexis	Y	Pain/inflammation	\$15.70	\$24.94	59%
15	Zonegran	Y	Anticonvulsants	\$5.14	\$7.97	55%
16	Prudoxin	N	Skin conditions	\$8.53	\$13.14	54%
17	Chlorpromazine hcl	N	Antipsychotic	\$5.79	\$8.92	54%
18	Adrenalin	Y	Anaphylaxis	\$65.32	\$100.28	54%
19	Vimovo	Y	Pain/inflammation	\$24.84	\$36.54	47%
20	Isoniazid	N	Anti-tuberculosis	\$32.54	\$47.82	47%
21	Viagra	Y	Erectile dysfunction	\$37.09	\$54.31	46%
22	Metformin	N	Diabetes	\$1.64	\$2.40	46%
23	Pennsaid	Y	Pain/inflammation	\$13.73	\$19.60	43%
24	Gentamicin sulfate	N	Skin infections	\$1.80	\$2.49	38%
25	Cefazolin sodium	N	Antibiotic	\$1.66	\$2.22	33%
26	Crestor	Y	High blood cholesterol	\$40.94	\$53.22	30%
27	Millipred	N	Inflammation/immune disorders	\$5.53	\$7.12	29%
28	Ativan	N	Anxiety	\$25.49	\$32.27	27%
29	Depo-estradiol	Y	Hormone therapy	\$14.07	\$17.68	26%
30	Pyrazinamide	N	Anti-tuberculosis	\$103.08	\$128.70	25%

\* Some drugs may have shifted from brand to generic  
Source: LFC analysis of agency data

**Attachment J: Rebates received by IBAC agencies and the UNM and UNMH employee plans, by major indication/condition, FY17**

*Note: The UNMH employee plan provided data for its own set of core conditions; shaded rows indicate conditions reported by all.*

Indication	Total Plan Cost	Rebates	Plan Cost Net of Rebates
Diabetes	\$40,998,142	\$19,417,795	\$21,580,347
Inflammatory conditions	\$35,834,403	\$7,130,725	\$28,703,677
Cancer	\$26,055,357	\$113,683	\$25,941,674
Multiple sclerosis	\$15,270,620	\$1,985,486	\$13,285,134
Asthma	\$9,661,706	\$4,409,299	\$5,252,407
Pain/inflammation	\$7,479,711	\$323,661	\$7,009,026
Hepatitis C	\$6,847,688	\$2,158,057	\$4,689,631
Hemophilia	\$5,277,799	\$0	\$5,277,799
Pulmonary hypertension	\$5,070,393	\$356,755	\$4,713,639
HIV	\$4,872,156	\$572	\$4,123,296

Source: LFC analysis of agency data