# 2025 TOP TEN LIST OF OUTPATIENT PRESCRIPTION DRUGS PURSUANT

## TO <u>Conn. Gen. Stat. § 19a-754b (d)</u>

# PRELIMINARY REPORT FOR PUBLIC COMMENT by March 12, 2025

### Background

The Office of Health Strategy (OHS) is charged by statute to develop a list of not more than ten outpatient prescription drugs that OHS determines are provided at substantial cost to the state or critical to public health. The list must be based on the specifications outlined in <u>Conn. Gen. Stat. § 19a-754b (d)</u>:

- The list must include no less than one generic drug;
- The list must include drugs from different therapeutic classes;
- The wholesale acquisition cost (WAC) of such outpatient prescription drug (A) increased by not less than sixteen per cent cumulatively during the immediately preceding two calendar years, and (B) was not less than forty dollars for a course of treatment.

#### **Public Comment**

OHS is making a preliminary list available for public comment for the next 30 days until March 12, 2025. During the public comment period, any manufacturer of an outpatient prescription drug included on the preliminary list may produce documentation to OHS to establish that the drug by National Drug Code (NDC), less all rebates, does not meet the criteria established above. If OHS is satisfied with the documentation, the agency will remove the drug from the preliminary list 15 days after the closing of the public comment period before publishing the annual list.

Please submit all comments or questions via email to Patty Blodgett, Patricia.Blodgett@ct.gov.

#### **Preliminary List**

The preliminary 2025 list of high-cost drugs that both increased by **16%** or more in WAC from calendar year 2020-2022 and were **\$40** or higher for a 30-day course of treatment is available online and also included at the end of this document. Click here to download the Excel file: <u>OHS-CGS §19a-754b(d) - Preliminary List of Outpatient Prescription Drugs 2025</u>.

#### Findings

The total Connecticut state spending on the drugs on this preliminary list, as represented in the CT All-Payer Claims Database (APCD), is \$560,370,831. This is approximately 6.8% of all retail prescription drug spending.

The drug with the highest spending on the list was Humira, an immunosuppressant for the treatment of rheumatoid arthritis and other inflammatory conditions. Humira spending was \$362M in 2023 and had a 16.0% price increase over the two-year period from 2021. The drug with the highest WAC price increase on the list was Nuplazid, with an increase of 25.5% over the two-year period.

#### **Data Qualifications**

State law requires that criteria be based upon the wholesale acquisition cost (WAC) of the drug, less certain rebates. However, drug specific rebate data is not available. Also, WAC is not always available for all drugs for the two-year time period. There was not a generic drug that met the statutory requirements with significant spending in the state.

#### Source of Data

OHS prepared the 2025 drug list using the All-Payer Claims Database (APCD) and WAC data from Micromedex Redbook. APCD data is submitted by the insurance carriers, Medicaid, and the state employee plan. The Micromedex data is incorporated into the APCD and updated on a quarterly basis. The claims and



utilization data included in this analysis is for 1/1/2023 to 12/31/2023, including six months of claims run out for expenses incurred in 2023.

The APCD data includes commercial claims for all fully insured Connecticut health plans and some self-insured plans, primarily, state employees and retirees, and the <u>CT Partnership 2.0</u> municipalities plan. Per the 2016 Supreme Court Gobeille Decision, under the Employee Retirement Income Security Act (ERISA) self-insured employers are not required to submit claims data to state APCDs. The APCD also includes Medicaid and Medicare Advantage plan data but not current Medicare Fee for Service plan data at this time. The APCD does not contain information on pharmacy rebates.

#### Methodology

OHS identified 1,000 outpatient prescription drugs by National Drug Code (NDC) with the highest total commercial, Medicaid, and Medicare spending. The total cost for each drug is the allowed amount for a pharmacy claim which is the sum of the insurer paid amount and member out of pocket cost (i.e. deductible, co-insurance and co-pay). OHS then used the associated Micromedex 2021 and 2023 WAC data for each NDC on the list to determine if its cumulative price increase for the twoyear period was 16% or greater. OHS then removed any drugs that also did not meet the statutory criteria of \$40 or more for a course of treatment based on the APCD 30-day supply price and the WAC per unit price adjusted to a 30-day supply. Lastly, OHS attempted to identify at least one generic drug for this list. The list represents the drugs with the highest overall costs to the state of Connecticut that met the statutory criteria.

OHS may release separate information or data that provides useful information to enhance transparency.

The final listing will trigger the information and data filings required by Conn. Gen. Stat. § 19a-754b (d)(4) from drug manufacturers. Information on this process will be provided with the posting of the final list.

#### **COMMONLY USED ABBREVIATIONS AND DEFINITIONS**

#### Abbreviations



APCD – All Payer Claims Database DSS – Connecticut Department of Social Services NDC – National Drug Code WAC – Wholesale Acquisition Cost

#### Definitions

<u>National Drug Code</u> A code maintained by the federal Food and Drug Administration that is uniquely assigned by manufacturer, product, and packaging.

<u>Brand Drug</u> A prescription drug, having a unique NDC, marketed under a proprietary name or registered trademark name, including a biological product, and approved under a New Drug Application or Biologics License Application.

<u>Generic Drug</u> A prescription drug, having a unique NDC, whether identified by its chemical, proprietary or nonproprietary name, that is not a brand drug, is therapeutically equivalent to a brand drug in dosage, strength, method of consumption, performance and intended use, and approved under an Abbreviated New Drug Application. Generic Drug includes a biosimilar product.

Drug Name The proprietary drug name is the brand name or registered trademark name that a drug is marketed under and owned by a manufacturer. The nonproprietary drug name is the standard, internationally recognized name for the active ingredient in a drug, not owned by a specific company.

<u>Therapeutic Class Category</u> A group of drugs used for the treatment, remediation, or cure of a specific disorder or disease. NDC's are assigned to drug categories using the Micromedex RED BOOK therapeutic classifications. The therapeutic class code supplies the therapeutic or pharmacologic category of the product. The categories displayed align with the Main Therapeutic Heading.

<u>Therapeutic Description</u> A description of the treatment of illness or condition.



<u>Connecticut Cost</u> All retail prescription drug spending for all data contained in the APCD. The allowed amount for a pharmacy claim which is the sum of the paid amount and member out of pocket cost (i.e. deductible, co-insurance and co-pay). This includes some commercial, Medicare Advantage, and Medicaid claims. It does not include data for Medicare Fee for Service as well as some portion of commercial self-insured ERISA membership.

<u>Commercial Cost</u> The total cost of a drug reimbursed by the commercial insurers (Aetna, Anthem, Cigna, ConnectiCare, United HealthCare, et al) is the allowed amount for a pharmacy claim which is the sum of the paid amount and member out of pocket cost (i.e. deductible, co-insurance and co-pay). These costs are from OHS' APCD and include fully insured and self-insured state employees and non-ERISA membership as well as some other portion of self-insured ERISA membership.

<u>State Employee Plan Cost</u> The total cost of a drug reimbursed by the commercial insurers (Aetna, Anthem, Cigna, ConnectiCare, United HealthCare, et al) on behalf of the State of Connecticut Employee health plan for state employees and retirees. This cost is the allowed amount for a pharmacy claim which is the sum of the paid amount and member out of pocket cost (i.e. deductible, co-insurance and co-pay). These numbers are included in the Commercial Cost but are also broken out for this analysis. These costs are from OHS' APCD.

<u>Total Medicaid Cost</u> The total cost of a drug reimbursed by the DSS' Medicaid program is the allowed amount for a pharmacy claim which is the sum of the paid amount and member out of pocket cost (i.e., deductible, co-insurance and co-pay). These costs are provided by DSS through the OHS' APCD.

<u>Total Medicare Advantage Cost</u> The total cost of a drug reimbursed by the commercial insurers (Aetna, Anthem, Cigna, ConnectiCare, United HealthCare, et al) for the Medicare Advantage product is the allowed amount for a pharmacy claim which is the sum of the paid amount and member out of pocket cost (i.e. deductible, co-insurance and co-pay). These costs are from OHS' APCD.



<u>Connecticut Utilization: 30-Day Equivalent Units</u> All retail prescription drug utilization for all data contained in the APCD. The number of 30-day equivalent units is a function of the number of days supply for an NDC and equals 1 for prescription supplies of fewer than 45 days, 2 for prescription supplies of 45 to 74 days, and 3 for prescription supplies of 75 to 104 days; it increases by 1 for each additional 30 days.

<u>Rebate</u> A discount, chargeback, or other price concession that affects the price of a prescription drug product. Any aggregate rebate credits are not included in the spending totals provided by the APCD.

<u>Wholesale Acquisition Cost</u> Defined by the federal definition 42 USC 1395w-3a as the manufacturer's list price for the drug or biological to wholesalers or direct purchasers in the United States, not including prompt pay or other discounts, rebates or reductions in price, for the identified year and month for which the information is available, as reported in wholesale price guides or other publications of drug or biological pricing data.

Wholesale Acquisition Cost per Unit Defined by the federal definition 42 USC 1395w-3a the term "unit" means, with respect to each National Drug Code (including package size) associated with a drug or biological, the lowest identifiable quantity (such as a capsule or tablet, milligram of molecules, or grams) of the drug or biological that is dispensed, exclusive of any diluent without reference to volume measures pertaining to liquids.

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2025 STATUTE PRELIMINARY LIST OF COSTLIEST DRUGS IN THE STATE															
TIMEFRAME:	Claims for Calendar Year 2023 (1/1/23 - 12/31/23 with 6 months of runout) and Wholesale Acquistion Prices from 2021 and 2023														
DATA SOURCE:	CT Office of Health Strategy (OHS) All-Payer Claims Database (APCD), and Redbook Micromedex Wholesale Acquisition Cost Unit Prices														
STATUTE:		Statute § 19a-754b (d)													
REQUIREMENTS:		• • •		cumulative over the previo	us two years and not less than \$40 for a 30-day course of treat	ment									
TOTAL COST:				•	ble, Copay, Coinsurance) Pre-Rebate										
EXCLUSIONS:		•		•	e specified time period. Impact of any rebate savings.										
							Retail Rx Spending without Rebates				30-Day Units	Whole	Wholesale Acquisition Cost		
Proprietary Drug Name	NDC	Nonproprietary Drug Name	Brand/ Generic	•	Therapeutic Description	Manufacturer	Connecticut Cost	Commercial Cost		Medicare Advantage	Medicaid	Connecticut	2023 WAC	2021 WAC	WAC % Increase
								Total including ->	State Employee Plan	Cost	Cost	Utilization	Per Unit	Per Unit	2023-2021
	74055402, 74433902,														
	74024302, 74379902,				Treatment of moderate to severe inflammatory conditions like										
	74061602, 74012402,				rheumatoid arthritis, psoriatic arthritis, Crohn's disease, and plaque										
HUMIRA	74153903, 74012403	Adalimumab	Brand	Immunosuppressants	psoriasis.	ABBVIE, INC.	362,458,045	182,243,728	14,005,537	75,143,682	105,070,635	46,424	\$ 3,646.24	\$ 3,143.52	16.0%
					Treatment of moderate to severe plaque psoriasis in adults who are										
	74240004 74405004				candidates for systemic therapy or phototherapy, also for treatment		112 051 510	04406500	0.040.400	20 574 000		10.074	÷ 40 704 64	<i>6</i> 47 040 77	16.00/
SKYRIZI	74210001, 74105001	Risankizumab	Brand	Immunosuppressants	of Psoriatic Arthritis, Crohn's Disease, and Ulcerative Colitis.	ABBVIE, INC.	143,051,518	84,126,533	9,210,132	28,574,080	30,350,905	19,974	\$ 19,734.61	\$ 17,013.77	16.0%
					Treatment of adults with active psoriatic arthritis (PsA) who have had an inadequate response or intolerance to one or more tumor										
RINVOQ	74230630	Upadacitinib	Brand	Immunosuppressants	necrosis factor (TNF) blockers.	ABBVIE, INC.	29,456,992	16,107,128	1,994,028	8,062,689	5,287,174	5,132	\$ 20/117	\$ 176.02	16.0%
KINVOQ	74230030		Branu	Central Nervous System	Treatment of hallucinations and delusions associated with	ACADIA	29,430,392	10,107,128	1,994,028	8,002,089	5,287,174	5,152	\$ 204.17	\$ 170.02	10.0%
NUPLAZID	63090034030	Pimavanserin	Brand	Agents	Parkinson's disease psychosis.	PHARMACEUTICALS INC.	9,459,624	674,371	71,119	8,464,820	320,433	2,753	\$ 166.50	\$ 132.67	25.5%
	51144000212,		Drana		A kinase inhibitor used to treat certain types of breast and colorectal		0,100,021	07 1,07 2	,	0,101,020	020,100		÷ 100.00	<i> </i>	
TUKYSA	51144000260	Tucatinib	Brand	Antineoplastic Agents	cancer in adults.	SEAGEN, INC.	5,140,904	2,337,012	431,834	1,213,850	1,590,042	304	\$ 213.58	\$ 179.80	18.8%
				Central Nervous System	For the management of pain severe enough to require an opioid										
PERCOCET	63481062970	Oxycodone & Comb.	Brand	Agents	analgesic and for which alternative treatments are inadequate.	ENDO USA, INC.	2,915,589	383,403	65,673	2,075,878	456,309	753	\$ 34.17	\$ 28.29	20.8%
					Treatment of primary biliary cholangitis (PBC) without cirrhosis or										
					with compensated cirrhosis without evidence of portal	INTERCEPT									
OCALIVA	69516000530	Obeticholic Acid	Brand	Gastrointestinal Drugs	hypertension.	PHARMACEUTICALS, INC	2,852,993	746,985	48,055	1,295,476	810,532	345	\$ 300.73	\$ 253.21	18.8%
					A non-ergoline dopamine agonist indicated for the acute,										
					intermittent treatment of hypomobility, "off" episodes associated	SUPERNUS									
ΑΡΟΚΥΝ	27505000405	Apomorphine	Brand		with advanced Parkinson's disease.	PHARMACEUTICALS, INC.	2,675,007	185,047	-	2,447,046	42,914	88	\$ 492.77	\$ 411.56	19.7%
				Skin & Mucous Membrane									A	<b>A A C C -</b>	<b>22 3 3 4</b>
LIDODERM	63481068706	Lidocaine & Comb.	Brand	Agents		ENDO USA, INC.	2,360,160	11,503	762	64,882	2,283,775	3,083	\$ 26.51	\$ 21.95	20.8%
NOTES					Total Spending and Utilization:		560,370,831	286,815,709	25,827,140	127,342,403	146,212,719	78,856			

#### NOTES:

The statute requires that no less than one generic drug is on the list. There were no generic drugs with any meaningful claims data meeting the criteria. Connecticut Cost and Utilization columns represent all retail prescription drug spending (before any rebate savings) and utilization data in the All-Payer Claims Database (APCD). It does not include data for Medicare Fee for Service as well as some portion of commercial self-insured ERISA membership. If multiple NDC's are listed, then each met the requirement individually, but they were totaled by drug name for this report. The WAC prices shown are for the utilization weighted average of the individual drug NDCs, but the increases were the same for each NDC listed. There may be other NDC's for a drug name listed above, but they either did not meet the criteria or were not considered high cost to the state. The State Employee Plan cost and utilization data are also included in the total commercial cost and utilization columns.