

Larry Hogan, Governor · Boyd K. Rutherford, Lt. Governor · Robert R. Neall, Secretary

December 12, 2018

The Honorable Edward J. Kasemeyer Chair Senate Budget and Taxation Committee 3 West Miller Senate Office Bldg. Annapolis, MD 21401-1991 The Honorable Maggie McIntosh Chair House Appropriations Committee 121 House Office Bldg. Annapolis, MD 21401-1991

Re: 2018 Joint Chairmen's Report (p. 95) – Report on Reimbursement Rates Used by Pharmaceutical Benefits Managers Within HealthChoice

Dear Chairs Kasemeyer and McIntosh:

Pursuant to the requirements of the 2018 Joint Chairmen's Report (p. 95), please find enclosed a report that (1) reviews the National Drug Acquisition Cost (NADAC) fee-for-service reimbursement models; (2) reviews dispensing fees taking into account applicable guidance by the federal Centers for Medicare and Medicaid Services for Professional Dispensing Fees; and (3) reviews reimbursement rates used by a pharmacy benefit manager or an entity that contracts on behalf of a pharmacy within HealthChoice in calendar year 2018 (CY18), and changes to those rates from those in effect in CY16 and CY17.

Thank you for your consideration of this information. If you have questions or need more information on the subjects included in this report, please contact Webster Ye, Deputy Chief of Staff at (410) 767-6480 or webster.ye@maryland.gov.

Sincerely,

Robert R. Neall

Secretary

I. Introduction

Pursuant to the requirements of the 2018 Joint Chairmen's Report, the Department respectfully submits this report, which addresses:

- 1. A review of NADAC FFS reimbursement models;
- 2. A review of dispensing fees taking into account applicable guidance by the CMS for Professional Dispensing Fees; and
- 3. The reimbursement rates used by a pharmacy benefit manager or an entity that contracts on behalf of a pharmacy within HealthChoice in CY18, changes to those rates from those in effect in CY16 and CY17.

The Maryland Medicaid Program serves approximately 1.3 million low-income Marylanders. More than 85 percent of Maryland Medicaid participants receive their care through HealthChoice, Maryland's statewide mandatory managed care program implemented in 1997 under authority of Section 1115 of the Social Security Act. The HealthChoice program seeks to improve access and quality of care to Medicaid participants by providing comprehensive, patient-focused, coordinated care through Managed Care Organizations (MCO). Eligible Medicaid participants enroll in the MCO of their choice and select a primary care provider (PCP) to oversee their medical care. MCOs receive a capitation payment in exchange for providing care to their Medicaid participants. Certain drugs are carved out of the MCO benefit package and provided on a Fee For Service (FFS) basis, including drugs used to treat specialty behavioral health conditions and HIV/AIDS. Based on preliminary estimates, the Department anticipates that pharmacy costs attributable to the HealthChoice program exceeded \$670 million for CY17, while FFS costs exceeded \$623 million.

Maryland, like other states, elected to cover pharmacy services as part of its Medicaid benefit package although it is not required to by CMS. Under the authority of Section 1927 of the Social Security Act, Medicaid programs have the option to cover outpatient drugs. Pharmacy reimbursement methodologies vary by state, subject to certain federal requirements. Drug manufacturers must participate in the federal rebate program for a drug to qualify for Medicaid federal matching funds. Once a drug manufacturer agrees to participate in the federal rebate program, state Medicaid programs are required to cover almost all FDA-approved drugs those manufacturers produce.

Maryland FFS reimburses pharmacies based on a two-part formula consisting of the ingredient cost of the drug and the Professional Dispensing Fee. Following regulatory changes in 2016 required under the ACA, effective April 2017, Maryland FFS began reimbursing for drugs using National Average Drug Acquisition Cost (NADAC) as a proxy for Average Acquisition Cost

(AAC). Prior to 2017, Maryland FFS reimbursed pharmacies on an estimated acquisition cost (EAC) basis.

Nationally, pharmacy expenditures continue to increase due to the significant growth in the volume and cost of new specialty medications used for the treatment of complex, chronic, or rare conditions, (*e.g.* Hepatitis C Agents, Hemophilia, HIV/AIDS, Cystic Fibrosis, etc.), as well as the growth in the number of new high-cost drugs (*e.g.*, orphan, gene therapy, and innovative therapy), which are approved by the FDA under the accelerated approval pathway. The accelerated approval pathway provides earlier patient access to promising new drugs while the company conducts clinical trials to verify the predicted clinical benefit. Moreover, the 21st Century Cure Act and allowance of data summaries to support the approval of certain drugs for new treatments rather than full clinical trial has expedited the approval process. ¹ Furthermore, the 21st Century Cure Act allows drug companies to promote off-label uses to insurance companies, expanding the drug's market share and potentially lowering the cost of off-label ingredients.²

II. Reimbursement Methodologies

A. Recent Changes to Federal Requirements

In early 2016, CMS released the final rule for the Covered Outpatient Drug Rule.³ Included in the rule was a requirement for states' FFS programs to change their outpatient drug reimbursement to an AAC system. Prior to this regulation change, the state basis for pharmaceutical reimbursement was the EAC. AAC is determined by the pharmacy providers' actual price paid to acquire drugs marketed or sold by specific manufacturers.⁴ The shift from EAC to AAC was considered necessary by CMS as it represents a more accurate reference price to be used by states to reimburse providers for drugs.⁵

CMS further changed the term "dispensing fees" to "Professional Dispensing Fees" to reflect the pharmacist's professional services and costs to dispense a drug to a Medicaid participant.⁶ CMS requires Professional Dispensing Fees to be consistent with efficiency, economy, and quality of care while assuring sufficient participant access.⁷ The Professional Dispensing Fees and ingredient cost reimbursement must be considered to ensure that total reimbursement to the pharmacy provider is calculated in accordance with requirements in the ACA.⁸

¹ 114 P.L. 255, 130 Stat. 1033, 2016 Enacted H.R. 34, 114 Enacted H.R. 34

 $^{^{2}}$ Id.

³ https://www.gpo.gov/fdsys/pkg/FR-2016-02-01/pdf/2016-01274.pdf.

⁴ *Id*.

⁵ *Id*.

⁶ CMS-2345-FC.

⁷ *Id*.

⁸ *Id*.

B. Maryland's Reimbursement System

Maryland FFS reimburses pharmacies based on a two-part formula consisting of the ingredient cost of the drug and the Professional Dispensing Fee. When federal regulatory changes became effective in April 2017, Maryland FFS began reimbursing for drugs using NADAC as a proxy for AAC. NADAC is derived by surveying randomly selected, retail community pharmacies nationwide on a monthly basis to establish the national average invoice price for drug products. The NADAC files are published on a monthly basis and updated weekly. ¹⁰

Under Maryland's approach, Medicaid reimbursement rate is the NADAC rate or the provider's Usual and Customary charges, whichever is lower. If a NADAC rate does not exist for a drug, reimbursement is tied to whichever is lowest between the Wholesale Acquisition Cost (WAC)¹¹, the federal upper limit (FUL)¹², and the State Actual Acquisition Cost (SAAC) or the provider's Usual and Customary charges. The Professional Dispensing Fee for both brand and generic drugs is \$10.49.

Prior to 2017, Maryland FFS reimbursed pharmacies on an EAC basis. Brand-name drugs were reimbursed at a rate of the lowest of: Average Wholesale Price¹³ minus 12%, Direct Price plus 8%, WAC plus 8%, or the pharmacy submitted Usual and Customary charges. Generic drugs were reimbursed at the same rates as brand-name drugs but also included the state maximum allowable cost (SMAC) rate and the FUL in the consideration. The dispensing fee for brand-name/non-preferred drugs was \$2.56 per claim and \$3.51 per claim for generic/preferred drugs.

⁹ Department of Health and Human Services, Centers for Medicare and Medicaid Services, Implementation of the Covered Outpatient Drug Final Regulation Provisions Regarding Reimbursement for Covered Outpatient Drugs in the Medicaid Program, Feb. 11, 2016.

 $^{^{10}\} https://www.medicaid.gov/medicaid/prescription-drugs/pharmacy-pricing/index.html$

¹¹ The published amount by the manufacturer for sale via a wholesaler.

¹² The FUL is a drug pricing benchmark based on a formula derived from the weighted average (175%) of the WAC, AMP, and NADAC.

¹³ The average price for drugs purchased at the wholesale level.

Table 1: Maryland FFS Pharmacy Reimbursement Methodologies, Current and Prior to 2017

	Current NADAC-based FFS Pharmacy	Maryland FFS Pharmacy
	Reimbursement Methodology	Reimbursement Methodology until 2017
Brand-name	Lower of:	Lower of:
Drugs	• NADAC	• EAC*
	Usual and Customary charges**	Usual and Customary Charges **
	If no NADAC, the lower of:	
	• WAC+0%	
	• SAAC	
	Usual and Customary charges**	
Generic Drugs	Lower of:	Lower of:
	• NADAC. If no NADAC exists, then the	• EAC*
	lower of:	Maryland SMAC
	• WAC+0%	• FUL ***
	• FUL***	Usual and Customary Charges **
	• SAAC	
Dispensing Fee	• \$10.49 for brand-name and generic products.	• \$3.51 for brand-name products listed on the
	• \$11.49 for brand-name and generic products	PDL and generic products.
	dispensed to nursing home facility participants	• \$2.56 for brand-name products not listed on
		the PDL.
		• \$4.46 for brand-name products listed on the
		PDL and generic products dispensed to
		nursing home facility participants.
		• \$3.51 for brand-name products not listed on
		the PDL dispensed to nursing home facility
		participants

^{*} EAC is the lower of AWP-12%, DP+8%, and WAC+8%

C. Maryland Compared to Other States

The national trend for pricing benchmarks for ingredient cost has become the NADAC—with thirty-two states, including Maryland, utilizing it as their primary benchmark. However, states are not required to use NADAC and not all states implement it as their primary benchmark. As a result, states use a variety of systems to determine outpatient drug reimbursement. Brief overviews of the different approaches to benchmarking drug costs are provided below. A

^{* *} Usual and Customary charges are the "cash" price that individuals without drug coverage would pay a retail pharmacy

^{***} The FUL is a drug pricing benchmark based on a formula derived from the weighted average (175%) of the WAC, AMP, and NADAC.

¹⁴ MEDICAID, *State Drug Reimbursement Index*, (June, 2018), <a href="https://www.medicaid.gov/medicaid/prescription-drugs/state-prescription-dr

comprehensive list of approaches adopted by states compiled by CMS as of June 2018 can be found in Appendix A. 15

The Average Dispensing Fee varies among states for FFS dispensing, but ranges from \$2.00 to \$21.28 with limited exceptions for certain high-cost medications and the prescription volumes of individual pharmacies. Some states allow for a higher dispensing fee if the annual prescription volume is less than 39,999 and reimburse lower dispensing fees for higher volume pharmacies. ¹⁶ The majority of the states fall within the \$9.75-\$11.00 range for FFS dispensing.¹⁷

1. **Actual Acquisition Cost**

The AAC is an estimate of the actual wholesale cost a pharmacy pays for medications to wholesalers after all discounts have been deducted and is derived from actual audits of pharmacy invoices. 18 States either ask pharmacies for the AAC of medications commonly ordered or contact the wholesaler for the AAC provided to the pharmacy.

2. **Average Wholesale Price**

The AWP is one of the most common ly used benchmarks in drug pricing because it is readily available and easily updated. However, lawsuits have been filed with allegations that the AWP has been and can be artificially inflated by pharmacies and manufacturers, resulting in the AWP rolling back brand-name drug prices by 5%. Maryland does not consider the AWP for reimbursement.

3. Wholesale Acquisition Cost

Various states use the WAC because many pharmacies buy their drug supply from wholesale companies. 19 The WAC does not represent actual transaction prices and does not include prompt pay or other discounts, rebates or reductions in price. When NADAC is not available for a drug in Maryland, WAC is one of the reimbursement methodologies looked at to determine the lowest reimbursement rate.

4. **Maximum Allowable Cost**

The Maximum Allowable Cost (MAC) refers to a PBM and FFS generated list of products that includes the upper limit amount that a plan will pay for generic drugs and brand-name drugs.²⁰ No two MAC lists are alike and each PBM has free reign to pick and choose products for MAC

18 Id. (Noting Nebraska, North Carolina, North Dakota, and Wyoming as using the AAC as a secondary pricing benchmark; and showing Ohio, Tennessee, West Virginia, and Oregon as using AAC as its primary pricing benchmark for Fee For Service).

¹⁵ Id. (Please note that the Maryland data in this chart is slightly incorrect and there may be slight variations for other states. In Maryland, the ingredient cost methodology is the NADAC, but if there is no NADAC or Usual and Customary rate for a specific drug, the pricing will be the lower of WAC, FUL, or SAAC. The overview does not make the lower of standard clear). ¹⁶ Id. (Noting Montana and Oregon).

²⁰ http://www.ncpa.co/pdf/leg/mac-one-pager.pdf

lists.²¹ Lists and pricing are updated frequently to keep pace with market changes and was designed to promote competitive pricing for pharmacies as an incentive to purchase the least costly generic drugs available in the market.²² Maryland does not consider the MAC for reimbursement when the NADAC is not available for a certain drug.

III.Maryland Reimbursement Rate Comparison: MCO and FFS Data

All nine MCOs utilize PBMs in their respective programs. PBMs assist with the negotiation of rebates and costs, perform certain financial and clinical services, and monitor drug utilization. Use of PBMs may result in cost savings and added efficiencies. The Department does not use a PBM for its FFS program and instead utilizes a Point of Sale, electronic claims processing system through a vendor, Conduent. The Department's vendor does not negotiate rebates and costs, nor do they perform financial services. The vendor processes claims, provides clinical services, and monitors utilization based upon the Department's rules and regulations. Moreover, the Department utilizes Provider Synergies, an affiliate of Magellan Medicaid Administration, to negotiate additional supplement rebates and assist in creating the Preferred Drug List.

Tables 1 through 8 in Appendix B present data regarding the Average Ingredient Per Unit cost and Professional Dispensing Fees paid for by the MCOs' PBMs for a sample of 50 drugs based upon the highest total FFS reimbursement amount between January 1, 2018 and June 30, 2018. Tables 1-4 examine differences in Average Ingredient Cost Per Unit. Tables 6-8 examine differences in Average Professional Dispensing Fee. The number of units dispensed in an individual prescription may vary; therefore, analyses for Average Ingredient Cost Per Unit and Average Professional Dispensing Fee for each drug are provided separately.

PBM reimbursement amounts are considered proprietary and confidential. In order to protect this sensitive data, PBM costs are presented according to low, high, and average rate across all MCOs. Individual MCOs have not been identified. Data are presented for calendar years 2016, 2017, and 2018 (through June 2018). Several drugs do not have data for all three calendar years because they were either not yet available on the market or there was no utilization by any MCO in Maryland. For certain drugs, the Average Ingredient Cost Per Unit and Professional Dispensing Fee average costs may also have been affected by the low number of MCOS that reimbursed for an individual drug; only two or three MCOs had reimbursed claims for certain drugs.

Average Ingredient Cost Per Unit

When comparing the average cost across all MCOs' PBM data, the Average Ingredient Cost Per Unit for the majority of the top fifty drugs increased between CY16 and CY18 (Tables 1-4).

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²¹ *Id*. at 1.

²² Id. (Explaining how Michigan uses MAC as its secondary pricing benchmark).

- Comparing average price data for all MCOs from CY16 to CY17, the Average Ingredient Cost Per Unit decreased for 14 drugs and increased for 35 drugs.
- From CY17 to CY18, the Average Ingredient Cost Per Unit decreased for 12 drugs, increased for 36 drugs, and remained level for 1 drug.
- Looking across the full evaluation period to compare average cost for all MCOs in CY16 against the average cost in CY18, the Average Ingredient Cost Per Unit decreased for 12 drugs, increased for 35 drugs, and remained level for 2 drugs.

Table 3 further compares average price data for all MCOs Average Ingredient Cost Per Unit against the FFS rate for CY18. Due to changes in the FFS reimbursement methodology, FFS rates are not directly comparable to MCO rates for CY16 and CY17.

- The FFS Average Ingredient Cost Per Unit was lower than the all-MCO rate for 37 of the drugs analyzed.
- The all-MCO Average Ingredient Cost Per Unit Cost was lower than the FFS rate for 11 of the drugs analyzed.

Average Professional Dispensing Fee

Between CY16 and CY18, the average Professional Dispensing Fee paid by MCO PBMs decreased for the majority of drugs (41 in total).

- In CY16, the lowest Professional Dispensing Fees used by any MCO were \$0.00 and \$0.01. The highest Professional Dispensing Fee used by any MCO was \$17.00. The average Professional Dispensing Fee ranged from \$0.00 to \$9.06.
- In CY17, the lowest Professional Dispensing Fees used by any MCO were \$0.00 and \$0.10. The highest Professional Dispensing Fee used by any MCO was \$17.00. The average Professional Dispensing Fee ranged from \$0.11 to \$3.09.
- In CY18, the lowest Professional Dispensing Fees used by any MCO were \$0.00 and \$0.08. The highest Professional Dispensing Fee used by any MCO was \$100.00. The average Professional Dispensing Fee ranged from \$0.03 to \$20.08.

When comparing the average Professional Dispensing Fee paid by MCO PBMs to the FFS rate of \$10.49 in CY18, only three drugs had an average Professional Dispensing Fee higher than the FFS rate—Epclusa 400 Mg-100 Mg Table, Harvoni 90-400 Mg Tablet, and Pulmozyme 1 Mg/Ml Ampul. The overall average MCO Professional Dispensing Fee across all drugs for CY18 was \$7.86 less than the FFS Professional Dispensing Fee.

IV. Conclusion

Maryland's approach using NADAC as a benchmark for reimbursing drugs on an FFS basis is in line with the approach adopted by the majority of states. Maryland's FFS Professional Dispensing Fee of \$10.49 falls within the range of Professional Dispensing Fees adopted by

other states, which range from \$3.35 to \$14.55 with limited exceptions for certain high-cost medications and the prescription volumes of individual pharmacies.

When comparing the average cost across all MCOs' PBM data, the Average Ingredient Cost Per Unit for the majority of the top fifty drugs increased between CY16 and CY18. When comparing the FFS Average Ingredient Cost Per Unit in CY18 against the average rate paid by all MCOs, the FFS rate was lower for 37 of the drugs analyzed. While Average Ingredient Cost Per Unit increased between CY16 and CY18, the average Professional Dispensing Fee paid by MCO PBMs decreased for the majority of drugs. In CY18, the FFS Professional Dispensing Fee of \$10.49, exceeds the average dispensing fee across all MCOs for all but three drugs.

As pharmacy expenditures continue to grow due to increased volume and cost of new specialty medications, the introduction of new high-cost drugs, and other changes to the FDA approval process, the Department remains dedicated to exploring opportunities to promote fiscal sustainability while ensuring Marylanders are able to access needed drugs.

Appendix A. Medicaid Covered Outpatient Prescription Drug Reimbursement Information by State, Quarter Ending June 2018

MEDICAID, *State Drug Reimbursement Index*, (June, 2018), https://www.medicaid.gov/medicaid/prescription-drugs/state-prescription-drug-resources/drug-reimbursement-information/index.html

Please note that data presented in the chart below is compiled by CMS. The Maryland data in the chart is slightly incorrect and there may be slight variations for other states. In Maryland, the ingredient cost methodology is the NADAC or the Usual and Customary rate, but if there is no NADAC or the Usual and Customary rate for a specific drug, it is the lower of WAC, FUL, or SAAC. The overview does not make the lower of standard clear.

State	Ingredient Cost	Dispensing Fee	State Maximum Allowance Cost (SMAC)
Alabama	Usual and Customary (U&C); • Average sale price (ASP) plus 6% (blood clotting factors)	Professional Dispensing Fee is \$10.64	Yes
Alaska	 National Averaged Drug Acquisition Cost (NADAC) Gross Amount due U&C Submitted Ingredient Cost WAC plus 1% Federal upper limit (FUL) 	 \$21.28 (pharmacy not located on the road system); \$13.36 (pharmacy located on the road system); \$16.58 (mediset pharmacy); \$10.76 (out-of-state pharmacy) 	Yes
Arizona	 Average wholesale price (AWP) minus 15%; Federally Qualified Health Centers (FQHCs) and FQHC Look-alikes at the lesser of billed charges or the 340B ceiling price 	Professional Dispensing Fee is: • \$2.00 (Fee for Service (FFS) only); • \$8.75 (FQHCs and FQHC Look-alikes)	No
Arkansas	Ingredient cost is lower of:	Professional Dispensing Fee is:	Yes

State	Ingredient Cost	Dispensing Fee	State Maximum Allowance Cost (SMAC)
	NADAC; orstate AAC; orFUL	 \$9.00 for brand and non-preferred brands; \$10.50 for preferred brand and generics 	
California	Ingredient cost is: Approved but not implemented – Implementation date is scheduled no later than quarter 2 of 2018 with retro- billing back to April 1, 2017. The "drug's ingredient cost" means the lowest of: NADAC; or when no NADAC is available, the WAC plus 0%; or FUL; or The Maximum Allowable Ingredient Cost (MAIC).	Implementation date is scheduled no later than quarter 2 of 2018 with retro-billing back to	Yes
Colorado		 Less than 60,000 total prescriptions filled per year = \$13.40 Between 60,000 and 90,000 total 	No
Connecticut	Ingredient cost is lowest of: NADAC FUL or (WAC) plus zero (0) percent	Dispensing fee is \$10.75	Yes
Delaware	Ingredient cost is NADAC	Professional Dispensing Fee is \$10.00	Yes

State	Ingredient Cost	Dispensing Fee	State Maximum Allowance Cost (SMAC)
District of Columbia	 Ingredient cost is: Brand Name Drugs: the lesser of the pharmacies' U&C, AAC, or WAC. Multiple Source Drugs: the lesser of FUL, NADAC, WAC, the pharmacy's U&C, or the District Maximum Allowable Cost (DMAC). 340B purchased drugs, Federal Supply Schedule (FSS), nominal price: AAC 	Professional Dispensing Fee is \$11.15	Yes
Florida	 Ingredient cost is lower of: NADAC, WAC plus 0% SMAC, provider's U&C 	Professional Dispensing Fee is \$10.24	Yes
Georgia	Reimbursement for legend and non-legend drugs shall not exceed the lowest of: • The Georgia Maximum Allowable Cost (GMAC), • The Georgia Estimated Actual Acquisition Cost (GEAC), • FUL, • The usual and customary charge or the submitted ingredient cost The Select Specialty Pharmacy Rate (SSPR)	Professional Dispensing Fee is \$10.63 for pharmacies	Yes
Hawaii	Ingredient cost is WAC Ingredient cost is:	Professional Dispensing Fee is \$5.00 Professional Dispensing Fees:	Yes
Idaho	• AAC, or where there is no AAC reimbursement is WAC	 Less than 39,999 claims a year = \$15.11 Between 40,000 and 69,999 claims per year = \$12.35 70,000 or more claims per year = \$11.51 	

State	Ingredient Cost	Dispensing Fee	State Maximum Allowance Cost (SMAC)
Illinois	 WAC plus 1% (multiple source legend); WAC plus 1% (single sourcelegend); WAC plus 25% (over-the-counter drugs); AAC for implantable contraceptive devices purchased under the 340B Drug Pricing Program via FQHC or rural health centers 	 \$5.50 (multiple source); \$2.40 (single source); \$12.00 for both single source and multiple source drugs purchased through the 340B Drug Pricing Program 	Yes
Indiana	 Ingredient cost is lower of: NADAC; State MAC; The FUL; or WAC 	Professional Dispensing Fee is \$10.48	Yes
Iowa	 AAC as determined from surveys or where there is no AAC reimbursement is WAC 	Professional Dispensing Fee is \$10.02	Yes
Kansas	 Ingredient cost is the lower of: NADAC, WAC, FUL, SMAC, Submitted Ingredient Cost, or The U&C 	Professional Dispensing Fee is \$10.50	Yes
Kentucky	 Legend, non-legend, specialty drugs, and long-term care is the lower of: NADAC, WAC plus 0%, The FUL, The State MAC, or U&C. 	Professional Dispensing Fee is \$10.64	Yes

State	Ingredient Cost	Dispensing Fee	State Maximum Allowance Cost (SMAC)
	 ASP plus 6% is included in the lower of logic for clotting factor and physician administered drugs 340B purchased drugs, FSS, nominal price: AAC 		
Louisiana	Ingredient cost is:AAC of the drug dispensed, orWAC	Professional Dispensing Fee is:\$10.41, the State provider fee will be reimbursed separately	Yes
Maine	Ingredient cost is:	 \$3.35; \$2.50 (mail order brand & generic); \$4.35 and \$5.35 (compounding); \$12.50 (filling insulin syringe) 	Yes
Maryland	 NADAC, WAC plus 0%, FUL, State AAC, U&C 	Professional dispensing fee is: • \$10.49	Yes
Massachusetts	NADACU&C	 \$10.02 \$10.02 for non-340B Clotting Factor \$10.02 plus 2.75 cents per unit for 340B Clotting Factor 	Yes

State	Ingredient Cost	Dispensing Fee	State Maximum Allowance Cost (SMAC)
	 ASP + 6% U&C 340B Clotting Factor is Ceiling Price 		
Michigan	Ingredient cost is:NADACWACMACU&C	 \$20.02 for specialty drugs \$10.80 for drugs preferred on PDL \$10.64 for drugs not on PDL \$9.00 for drugs on PDL but non-preferred 	Yes
Minnesota	 WAC plus 2%; WAC plus 4% (independently owned pharmacies located in a small rural or isolated rural location); WAC minus 40% (340B billed drugs) Ingredient cost is lesser of: 	 \$3.65 (plus \$0.30 for legend unit dose drugs); Dispensing fee for over-the-counter drugs in a nursing facility through the use of an automated dispensing system is \$1.31 when the amount dispensed is less than the amount contained in the manufacturer's original packaging. 	Yes
Mississippi	 NADAC, or WAC plus 0% no NADAC is available, or A rate set by the Division of Medicaid's rate-setting vendor when no NADAC or WAC are available, or The provider's usual and customary charge. 	Professional Dispensing Fee is \$11.29	No
Missouri	Ingredient cost is lower of:AWP minus 10.43%, orWAC plus 10%	Professional Dispensing Fee is \$4.09	Yes
Montana	 Ingredient cost is lower of: AAC, Submitted Ingredient Cost, WAC, or FUL 	 \$10.67 for pharmacies with annual prescription volume > 70,000 \$12.61 for pharmacies with annual prescription volume 40,000 – 69,999 \$14.55 for pharmacies with annual 	Yes

prescription volume 0 – 39,999 Ingredient cost is the lower of: • NADAC, • FUL,
NADAC,FUL,
 MAC, or U&C. If NADAC pricing is not available: WAC plus 0% will be included in the lower of logic (legend, non-legend, specialty drugs, long- term Professional Dispensing Fee is \$10.02 Yes care); ASP plus 6% and when ASP is unavailable, WAC plus 6.8% or manual pricing at actual acquisition cost (physician administered drugs); AAC (340B purchased drugs, FSS, nominal price); the lesser of NADAC, WAC plus 0%, ASP plus 6%, FUL (clotting factor).
Ingredient cost is the lower of: • NADAC, • FUL, • SMAC, or • U&C Professional Dispensing Fee is \$10.17 Yes
Ingredient cost is lower of: New Hampshire NADAC WAC +0% SMAC FUL U&C Professional Dispensing Fee is: Yes
Ingredient cost is: Professional Dispensing Fee is: New Jersey NADAC, WAC minus 2%, SWP minus 19%, 10.92
New Mexico Ingredient cost is lower of: Professional Dispensing Fee is \$10.30 Yes

State	Ingredient Cost	Dispensing Fee	State Maximum Allowance Cost (SMAC)
	FULNADACWAC Plus 6%Ingredient CostU & C		
New York	 NADAC WAC less 3.3% (brand) WAC less 17.5% (generic) FUL SMAC U&C 	Professional Dispensing Fee is \$10.00	Yes
North Carolina	 NADAC, MAC, or U&C. If NADAC pricing is not available: WAC plus 0% will be included in the lower of logic (legend, non-legend, specialty drugs, long- term care); ASP plus 6% or if ASP is unavailable, AWP minus 10% (physician administered drugs); WAC plus 6% (physician administered contraceptive drugs); AAC (340B purchased drugs, FSS, nominal price); The lower of NADAC, MAC or U&C (clotting factor) 	 * \$13.00 when 85% or more of claims per quarter are for generic or preferred brand drugs * \$7.88 when less than 85% of claims per quarter are for generic or preferred brand drugs and * \$3.98 for non-preferred brand drugs. * Clotting factor: HTC \$0.04 per unit and non-HTC \$0.025 per unit 	Yes
North Dakota	Ingredient cost for legend, non- legend, specialty drugs, long-term care, physician administered drugs, clotting factor is the lower of: • NADAC,	Professional Dispensing Fee is \$12.46; plus \$0.15 per pill (pill splitting)	Yes

State	Ingredient Cost	Dispensing Fee	State Maximum Allowance Cost (SMAC)
	 WAC, MAC, U&C The lower of logic also includes: AAC (340B, 340B physician administered drugs, FSS, Nominal Price); 340B contract pharmacies not covered; Invoice pricing (investigational drugs). 		
Ohio	covered entities through the federal 340B program will be paid at ingredient cost 340B AAC • Drugs purchased by 340B	Professional Dispensing Fee is tiered: Less than 49,999 prescriptions per year = \$13.64 Between than 50,000 and 74,999 prescriptions per year = \$10.80; Between than 50,000 and 74,999 prescriptions per year = \$9.51; 100,000 or more prescriptions per year = \$8.30	Yes

Medicare Part B pricing

State	Ingredient Cost	Dispensing Fee	State Maximum Allowance Cost (SMAC)
	file, minus the furnishing fee Provider's U&C Provider Administered Drugs (other than VCF vaccines): SMAC Payment limit shown in the current Medicare Part B drug pricing file; 107% of WAC 85.6% of AWP		(SMAC)
Oklahoma	The ingredient cost for Brand Name Drugs is the lower of: • NADAC; or • WAC The ingredient cost for Generic Drugs is the lower of: • State MAC, • NADAC, or • WAC	Professional Dispensing Fee is \$10.55	Yes
Oregon	 Ingredient cost is the lower of: Oregon-specific AAC file, NADAC, WAC plus 0%, or U&C. 	Professional Dispensing Fee varies by claims volume; • less than 30,000 claims a year is \$14.30; • between 30,000 and 69,999 claims per year is \$11.91; • 70,000 or more claims per year is \$9.80	No
Pennsylvania	 WAC plus 3.2% (brand) and WAC (generic) 	Dispensing fee is: • \$2.00; • \$3.00 (compounding)	Yes
Rhode Island	 NADAC, WAC plus 0%, FUL, SMAC, FDB SWD minus 19%, or U&C 	 Professional Dispensing Fee is: \$8.96; \$7.90 (Beneficiaries residing in a long-term care facility) 	Yes
South	Ingredient cost is lower of:	Professional Dispensing Fee is:	Yes

State	Ingredient Cost	Dispensing Fee	State Maximum Allowance Cost (SMAC)
Carolina	AWP minus 16%, orWAC plus 0.8%	\$3.00 (independent pharmacy);\$3.00 (institutional pharmacies)	
South Dakota	 Consolidated Price (WAC multiplied by 1.2) for the drug less 13%; If no WAC, then Direct Price multiplied by 1.2 	Professional Dispensing Fee is \$4.40 plus an additional \$.80 for unit dose dispensing	Yes
Tennessee	 FUL; or AAAC, if there is no FUL or if the AAAC is lower than the FUL, or NADAC, if there is no AAAC or if the NADAC is lower than the AAAC; or WAC minus three percent for brand-name drugs or WAC minus six percent for generic drugs, if there is no AAAC or NADAC; or U&C 	o long-term care pharmacies is set at \$12.15	Yes
Texas	Ingredient costs of legend and nonlegend drugs: • Retail = NADAC • Long term care (LTC) = (NADAC minus 2.4%) • Specialty = (NADAC minus 1.7%) If NADAC is not available for a specific drug: • Retail = (WAC minus 2%) • LTC = (WAC minus 3.4%)	Professional Dispensing Fee is: ((Acquisition Cost + Fixed Component) divided by (1 – the percentage used to calculate the Variable Component)) - Acquisition Cost) + Delivery Incentive + Preferred Generic Incentive	Yes

State	Ingredient Cost	Dispensing Fee	State Maximum Allowance Cost (SMAC)
	 Specialty = (WAC minus 8%) 340B is based on state's estimate of the 340 ceilingprice 		
Utah	 Utah Estimated Acquisition Cost (UEAC), FUL, Utah Maximum Allowable Cost (NADAC), or Submitted Ingredient Cost 	 \$9.99 (urban) located in Utah; \$10.15 (rural) located in Utah. \$9.99 for out of state pharmacies \$716.54 for hemophilia clotting factor dispensed by the contracted pharmacy and in accordance with the hemophilia disease management program 	Yes
Vermont	Ingredient cost will be reimbursed the lowest of: • NADAC + PDF; • WAC + 0% + PDF; • SMAC + PDF; • FUL + PDF; • AWP-19% + PDF; • Submitted Ingredient Cost + Submitted dispensing fee; • Provider's U&C charges; or • Gross Amount Due		Yes
Virginia	Ingredient cost for legend, non- legend, specialty drugs, long-term care is the lower of: NADAC, WAC, FUL, or U&C Ingredient cost for other drugs: Lower of NADAC, WAC, U&C (clotting factor); AC (340B, 340B physician administered drugs, FSS, Nominal Price); ASP plus 6% (physician administered drugs)	Professional Dispensing Fee is \$10.65	No
Washington	Ingredient cost is:	Dispensing fee is \$4.24 to \$5.25 (based on 3-	Yes

State	Ingredient Cost	Dispensing Fee	State Maximum Allowance Cost (SMAC)
	 AWP minus 16% (single source drugs); AWP minus 16% (multisource drugs with four or fewer manufacturers/labelers); AWP minus 50% (multisource drugs with five or more manufacturers/labelers and no MAC or FUL); ASP plus 6% (physician administered drugs) 	tiered pharmacy volume)	
West Virginia	 NADAC; If no NADAC, then WAC+0%; FU; SMAC; Submitted ingredient cos; Provider's U&C 340B Purchased drugs: Drugs purchased by CE's reimbursed lower of AAC plus the PDF Drugs purchased outside of 340B program by CEs will be reimbursed lower of: NADAC; No NADAC, then WAC plus 0%; FUL; SMAC Submitted ingredient cost; Provider's U&C 	Professional Dispensing Fee is: \$10.49	Yes

NP: AAC

State	Ingredient Cost	Dispensing Fee	State Maximum Allowance Cost (SMAC)
	Specialty drugs & drugs not dispensed by a retail community pharmacy will be reimbursed the lower of: • NADAC; • No NADAC, then WAC plus 0%; • FUL; • SMAC • Submitted ingredient cost; • Provider's U&C • Clotting Factor is reimbursed at WAC plus 0%.		
Wisconsin		Professional Dispensing Fee is based on annual prescription volume: • Less than 34,999 prescriptions per year \$15.69; • \$35,000 or more prescriptions per year is \$10.51; • Non-tribal FQHC \$24.92 • \$0.015 per unit (for repackaging); • \$7.79 (compound drug fee); • \$9.45 to \$40.11 (pharmaceutical care dispensing fee)	Yes

State	Ingredient Cost	Dispensing Fee	State Maximum Allowance Cost (SMAC)
Wyoming	Ingredient cost for legend, non- legend, specialty drugs, long term care pharmacies, and clotting factor is the lower of: NADAC; No NADAC WAC plus 0% FUL; SMAC; Ingredient Cost submitted; GAD; Provider's U&C (Reimbursement for claims that pay GAD or U&C does not include the \$10.65 PDF). 340B purchased products shall bill no more than AAC. Drugs purchased outside of 340B program and dispensed by 340B contact pharmacies are not covered. FSS = No more than the AAC for the cost of the drug.	Professional Dispensing Fee is \$10.65	
	Nominal Price = No more than AAC for the drug. PADs submitted under the medical benefit will be reimbursed 100% of		

ASP. PADs without an ASP will be reimbursed at WAC plus 0%.

Appendix B

Tables 1 through 8 include an analysis of HealthChoice MCO and FFS data from CY16 to CY18 assessing the lowest, highest, and average Average Ingredient Cost Per Unit and Professional Dispensing Fees, for the top fifty (50) drugs based upon the total FFS reimbursement amount between January 1, 2018 and June 30, 2018. The drug Protonix 40 MG Suspension was not included by any of the MCOs and therefore is not included in these charts.

Table 1. Calendar Year 2016: Comparison of Average Ingredient Cost Per Unit—MCO PBM Reimbursement Rates²³

NDC	DRUG NAME	LOWEST RATE— AVERAGE INGREDIENT COST PER UNIT	HIGHEST RATE— AVERAGE INGREDIENT COST PER UNIT	AVERAGE RATE— AVERAGE INGREDIENT COST PER UNIT
173069600	ADVAIR 250-50 DISKUS	\$4.99	\$5.79	\$5.52
173069700	ADVAIR 500-50 DISKUS	\$6.44	\$7.59	\$7.25
58914017014	CARAFATE 1 GM/10 ML SUSP	\$0.35	\$0.38	\$0.37
4026129	CELLCEPT 200 MG/ML ORAL SUS	\$8.02	\$8.07	\$8.05
597002402	COMBIVENT RESPIMAT INHAL SP	\$76.09	\$80.43	\$78.87
68546031730	COPAXONE 20 MG/ML SYRINGE	\$204.84	\$288.72	\$231.37
32121201	CREON DR 12,000 UNITS CAPSU	\$2.54	\$6.97	\$3.25
32122401	CREON DR 24,000 UNITS CAPSU	\$5.04	\$6.71	\$5.44

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²³ Seven (7) MCOs participated in the pharmacy reimbursement in CY2016.

NDC	DRUG NAME	LOWEST RATE— AVERAGE INGREDIENT COST PER UNIT	HIGHEST RATE— AVERAGE INGREDIENT COST PER UNIT	AVERAGE RATE— AVERAGE INGREDIENT COST PER UNIT
32122407	CREON DR 24,000 UNITS CAPSU	\$4.99	\$5.24	\$5.13
259050116	CUVPOSA 1 MG/5 ML SOLUTION	\$0.96	\$1.07	\$1.03
24338013402	E.E.S. 200 MG/5 ML GRANULES	\$3.63	\$8.97	\$4.62
3089321	ELIQUIS 2.5 MG TABLET	\$5.72	\$6.26	\$5.98
3089421	ELIQUIS 5 MG TABLET	\$5.14	\$6.04	\$5.83
61958220101	EPCLUSA 400 MG-100 MG TABLE	\$855.96	\$913.37	\$897.40
173071920	FLOVENT HFA 110 MCG INHALER	\$17.11	\$18.31	\$17.72
173071820	FLOVENT HFA 44 MCG INHALER	\$14.53	\$15.53	\$15.03
78064930	GLEEVEC 400 MG TABLET	\$323.33	\$341.13	\$334.82
61958180101	HARVONI 90-400 MG TABLET	\$765.06	\$1,153.44	\$1,079.34
2751001	HUMALOG 100 UNITS/ML VIAL	\$11.34	\$25.62	\$22.90
74433902	HUMIRA 40 MG/0.8 ML PEN	\$1,890.01	\$2,072.15	\$1,983.64
6027731	JANUVIA 100 MG TABLET	\$11.71	\$12.53	\$12.16
6027754	JANUVIA 100 MG TABLET	\$4.32	\$12.76	\$11.15

NDC	DRUG NAME	LOWEST RATE— AVERAGE INGREDIENT COST PER UNIT	HIGHEST RATE— AVERAGE INGREDIENT COST PER UNIT	AVERAGE RATE— AVERAGE INGREDIENT COST PER UNIT
88222033	LANTUS 100 UNIT/ML VIAL	\$24.17	\$31.33	\$25.92
88221905	LANTUS SOLOSTAR 100 UNIT/ML	\$24.10	\$146.56	\$42.33
169368712	LEVEMIR 100 UNITS/ML VIAL	\$26.15	\$41.80	\$29.85
169643810	LEVEMIR FLEXTOUCH 100 UNITS	\$26.12	\$173.75	\$47.99
187170405	MEPHYTON 5 MG TABLET	\$3.23	\$59.23	\$49.43
169750111	NOVOLOG 100 UNIT/ML VIAL	\$23.84	\$42.94	\$27.90
169633910	NOVOLOG 100 UNITS/ML FLEXPE	\$30.61	\$200.73	\$56.11
603154258	POTASSIUM CL 10% (20 MEQ/15	\$0.05	\$0.39	\$0.21
64764054311	PREVACID 15 MG SOLUTAB	\$2.87	\$13.58	\$11.73
64764054411	PREVACID 30 MG SOLUTAB	\$8.62	\$13.54	\$12.24
59310057922	PROAIR HFA 90 MCG INHALER	\$4.01	\$6.39	\$5.94
186198804	PULMICORT 0.25 MG/2 ML RESP	\$4.39	\$139.95	\$72.17
186198904	PULMICORT 0.5 MG/2 ML RESPU	\$4.98	\$5.16	\$5.07
186199004	PULMICORT 1 MG/2 ML RESPULE	\$9.97	\$10.34	\$10.16

NDC	DRUG NAME	LOWEST RATE— AVERAGE INGREDIENT COST PER UNIT	HIGHEST RATE— AVERAGE INGREDIENT COST PER UNIT	AVERAGE RATE— AVERAGE INGREDIENT COST PER UNIT
50242010040	PULMOZYME 1 MG/ML AMPUL	\$39.28	\$41.88	\$40.93
69033621	REVATIO 10 MG/ML ORAL SUSP	\$55.02	\$59.49	\$57.58
50484001030	SANTYL OINTMENT	\$6.70	\$18.13	\$8.50
55513007330	SENSIPAR 30 MG TABLET	\$23.42	\$24.65	\$23.97
55513007430	SENSIPAR 60 MG TABLET	\$45.73	\$49.74	\$48.02
55513007530	SENSIPAR 90 MG TABLET	\$67.07	\$73.41	\$70.93
597007541	SPIRIVA 18 MCG CP- HANDIHALE	\$10.81	\$11.73	\$11.31
186037020	SYMBICORT 160-4.5 MCG INHAL	\$27.62	\$30.32	\$28.94
64380073706	VIT D2 1.25 MG (50,000 UNIT	\$0.06	\$0.64	\$0.29
50458057930	XARELTO 20 MG TABLET	\$10.10	\$12.07	\$11.61
50458057990	XARELTO 20 MG TABLET	\$4.12	\$12.02	\$10.74
65649030302	XIFAXAN 550 MG TABLET	\$24.77	\$32.59	\$30.31
6307402	ZEPATIER 50-100 MG TABLET	\$605.30	\$1,527.50	\$794.00

Table 2. Calendar Year 2017: Comparison of Average Ingredient Cost Per Unit—MCO PBM Reimbursement Rates²⁴

NDC	DRUG NAME	LOWEST RATE— AVERAGE INGREDIENT COST PER UNIT	HIGHEST RATE— AVERAGE INGREDIENT COST PER UNIT	AVERAGE RATE— AVERAGE INGREDIENT COST PER UNIT
173069600	ADVAIR 250-50 DISKUS	\$3.33	\$6.20	\$5.62
173069700	ADVAIR 500-50 DISKUS	\$4.26	\$8.16	\$7.39
58914017014	CARAFATE 1 GM/10 ML SUSP	\$0.37	\$0.53	\$0.42
4026129	CELLCEPT 200 MG/ML ORAL SUS	\$8.38	\$8.42	\$8.40
597002402	COMBIVENT RESPIMAT INHAL SP	\$80.94	\$91.91	\$85.94
68546031730	COPAXONE 20 MG/ML SYRINGE	\$227.65	\$244.48	\$237.05
32121201	CREON DR 12,000 UNITS CAPSU	\$2.65	\$6.05	\$3.09
32122401	CREON DR 24,000 UNITS CAPSU	\$5.25	\$12.49	\$6.29
32122407	CREON DR 24,000 UNITS CAPSU	\$5.12	\$5.47	\$5.29
259050116	CUVPOSA 1 MG/5 ML SOLUTION	\$1.05	\$1.06	\$1.05
24338013402	E.E.S. 200 MG/5 ML GRANULES	\$3.66	\$4.22	\$3.84
3089321	ELIQUIS 2.5 MG TABLET	\$6.27	\$7.01	\$6.51

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²⁴ Nine (9) MCOs participated in pharmacy reimbursement in CY2017.

NDC	DRUG NAME	LOWEST RATE— AVERAGE INGREDIENT COST PER UNIT	HIGHEST RATE— AVERAGE INGREDIENT COST PER UNIT	AVERAGE RATE— AVERAGE INGREDIENT COST PER UNIT
3089421	ELIQUIS 5 MG TABLET	\$6.14	\$6.85	\$6.45
61958220101	EPCLUSA 400 MG-100 MG TABLE	\$600.13	\$923.82	\$859.18
173071920	FLOVENT HFA 110 MCG INHALER	\$17.88	\$23.09	\$19.36
173071820	FLOVENT HFA 44 MCG INHALER	\$14.33	\$16.67	\$15.87
78064930	GLEEVEC 400 MG TABLET	\$193.49	\$350.24	\$300.56
61958180101	HARVONI 90-400 MG TABLET	\$538.80	\$1,161.69	\$1,053.29
2751001	HUMALOG 100 UNITS/ML VIAL	\$14.17	\$27.53	\$24.98
74433902	HUMIRA 40 MG/0.8 ML PEN	\$2,051.36	\$2,286.87	\$2,192.65
6027731	JANUVIA 100 MG TABLET	\$12.58	\$13.99	\$13.09
6027754	JANUVIA 100 MG TABLET	\$4.69	\$13.30	\$12.07
88222033	LANTUS 100 UNIT/ML VIAL	\$24.11	\$25.70	\$24.96
88221905	LANTUS SOLOSTAR 100 UNIT/ML	\$24.16	\$89.22	\$32.11
169368712	LEVEMIR 100 UNITS/ML VIAL	\$26.07	\$37.70	\$28.24
169643810	LEVEMIR FLEXTOUCH 100 UNITS	\$26.08	\$150.56	\$40.53

NDC	DRUG NAME	LOWEST RATE— AVERAGE INGREDIENT COST PER UNIT	HIGHEST RATE— AVERAGE INGREDIENT COST PER UNIT	AVERAGE RATE— AVERAGE INGREDIENT COST PER UNIT
187170405	MEPHYTON 5 MG TABLET	\$7.34	\$61.09	\$51.45
169750111	NOVOLOG 100 UNIT/ML VIAL	\$25.16	\$48.06	\$29.54
169633910	NOVOLOG 100 UNITS/ML FLEXPE	\$32.68	\$237.64	\$60.07
603154258	POTASSIUM CL 10% (20 MEQ/15	\$0.12	\$0.60	\$0.34
64764054311	PREVACID 15 MG SOLUTAB	\$2.88	\$14.45	\$12.50
64764054411	PREVACID 30 MG SOLUTAB	\$7.41	\$14.23	\$12.84
59310057922	PROAIR HFA 90 MCG INHALER	\$6.14	\$7.03	\$6.58
186198804	PULMICORT 0.25 MG/2 ML RESP	\$4.34	\$4.39	\$4.37
186198904	PULMICORT 0.5 MG/2 ML RESPU	\$3.83	\$5.08	\$4.46
186199004	PULMICORT 1 MG/2 ML RESPULE	\$9.97	\$10.16	\$10.07
50242010040	PULMOZYME 1 MG/ML AMPUL	\$41.28	\$45.44	\$43.69
69033621	REVATIO 10 MG/ML ORAL SUSP	\$62.65	\$69.75	\$66.17
50484001030	SANTYL OINTMENT	\$6.96	\$12.42	\$7.82
55513007330	SENSIPAR 30 MG TABLET	\$25.37	\$44.32	\$28.77

NDC	DRUG NAME	LOWEST RATE— AVERAGE INGREDIENT COST PER UNIT	HIGHEST RATE— AVERAGE INGREDIENT COST PER UNIT	AVERAGE RATE— AVERAGE INGREDIENT COST PER UNIT
55513007430	SENSIPAR 60 MG TABLET	\$51.90	\$55.50	\$53.74
55513007530	SENSIPAR 90 MG TABLET	\$59.93	\$80.61	\$76.62
597007541	SPIRIVA 18 MCG CP- HANDIHALE	\$10.66	\$22.30	\$13.29
186037020	SYMBICORT 160-4.5 MCG INHAL	\$29.16	\$33.76	\$30.40
64380073706	VIT D2 1.25 MG (50,000 UNIT	\$0.02	\$0.97	\$0.31
50458057930	XARELTO 20 MG TABLET	\$12.20	\$13.25	\$12.71
50458057990	XARELTO 20 MG TABLET	\$12.20	\$13.00	\$12.70
65649030302	XIFAXAN 550 MG TABLET	\$26.46	\$34.60	\$32.48
6307402	ZEPATIER 50-100 MG TABLET	\$624.00	\$1,417.00	\$748.83

 $\begin{tabular}{ll} Table 3. Calendar Year 2018: Comparison of Average Ingredient Cost Per Unit-MCO PBM Reimbursement Rates compared to FFS Reimbursement Rate^{25} \\ \end{tabular}$

MCO PBM Average Ingredient Cost Per Unit							
NDC	DRUG NAME	LOWEST RATE— AVERAGE INGREDIENT COST PER UNIT	HIGHEST RATE— AVERAGE INGREDIENT COST PER UNIT	AVERAGE RATE— AVERAGE INGREDIENT COST PER UNIT	FFS COST PER UNIT	PERCENT BY WHICH FFS RATE EXCEEDS MCO RATE	
173069600	ADVAIR 250-50 DISKUS	\$3.44	\$6.75	\$6.17	\$6.19	0.32%	
173069700	ADVAIR 500-50 DISKUS	\$4.43	\$8.89	\$8.10	\$8.19	1.11%	
58914017014	CARAFATE 1 GM/10 ML SUSP	\$0.44	\$0.77	\$0.49	\$0.44	-10.20%	
4026129	CELLCEPT 200 MG/ML ORAL SUS	\$8.56	\$8.56	\$8.56	\$8.36	-2.34%	
597002402	COMBIVENT RESPIMAT INHAL SP	\$90.10	\$101.03	\$93.17	\$88.93	-4.55%	
68546031730	COPAXONE 20 MG/ML SYRINGE	\$227.65	\$246.14	\$237.61	\$228.86	-3.68%	
32121201	CREON DR 12,000 UNITS CAPSU	\$2.79	\$8.30	\$3.51	\$2.81	-19.94%	

²⁵ Nine (9) MCOs participated in pharmacy reimbursement in CY2018.

MCO PBM Average Ingredient Cost Per Unit							
NDC	DRUG NAME	LOWEST RATE— AVERAGE INGREDIENT COST PER UNIT	HIGHEST RATE— AVERAGE INGREDIENT COST PER UNIT	AVERAGE RATE— AVERAGE INGREDIENT COST PER UNIT	FFS COST PER UNIT	PERCENT BY WHICH FFS RATE EXCEEDS MCO RATE	
32122401	CREON DR 24,000 UNITS CAPSU	\$5.62	\$6.00	\$5.73	\$5.55	-3.14%	
32122407	CREON DR 24,000 UNITS CAPSU	\$5.52	\$5.87	\$5.66	\$5.55	-1.94%	
259050116	CUVPOSA 1 MG/5 ML SOLUTION	\$1.05	\$1.05	\$1.05	\$1.02	-2.86%	
24338013402	E.E.S. 200 MG/5 ML GRANULES	\$3.65	\$3.75	\$3.71	\$3.63	-2.16%	
3089321	ELIQUIS 2.5 MG TABLET	\$6.75	\$7.18	\$6.93	\$6.69	-3.46%	
3089421	ELIQUIS 5 MG TABLET	\$6.76	\$7.31	\$6.96	\$6.65	-4.45%	
61958220101	EPCLUSA 400 MG-100 MG TABLE	\$431.69	\$922.04	\$837.94	\$869.46	3.76%	
173071920	FLOVENT HFA 110 MCG INHALER	\$19.49	\$23.81	\$20.50	\$19.40	-5.37%	
173071820	FLOVENT HFA 44 MCG INHALER	\$16.51	\$17.65	\$16.95	\$16.39	-3.30%	

MCO PBM Average Ingredient Cost Per Unit							
NDC	DRUG NAME	LOWEST RATE— AVERAGE INGREDIENT COST PER UNIT	HIGHEST RATE— AVERAGE INGREDIENT COST PER UNIT	AVERAGE RATE— AVERAGE INGREDIENT COST PER UNIT	FFS COST PER UNIT	PERCENT BY WHICH FFS RATE EXCEEDS MCO RATE	
78064930	GLEEVEC 400 MG TABLET	\$323.92	\$350.24	\$338.09	\$328.10	-2.95%	
61958180101	HARVONI 90- 400 MG TABLET	\$445.73	\$1,161.62	\$1,036.62	\$1064.27	2.67%	
2751001	HUMALOG 100 UNITS/ML VIAL	\$16.91	\$28.27	\$26.07	\$26.19	0.46%	
74433902	HUMIRA 40 MG/0.8 ML PEN	\$2,335.04	\$2,505.01	\$2,412.14	\$2,354.31	-2.40%	
6027731	JANUVIA 100 MG TABLET	\$13.85	\$14.69	\$14.22	\$13.48	-5.20%	
6027754	JANUVIA 100 MG TABLET	\$5.14	\$14.43	\$13.07	\$13.59	3.98%	
88222033	LANTUS 100 UNIT/ML VIAL	\$25.26	\$26.87	\$25.88	\$24.71	-4.52%	
88221905	LANTUS SOLOSTAR 100 UNIT/ML	\$24.45	\$89.14	\$32.83	\$24.87	-24.25%	
169368712	LEVEMIR 100 UNITS/ML VIAL	\$27.05	\$33.36	\$28.43	\$26.32	-7.42%	

		MCO PBM A	verage Ingredient	Cost Per Unit		
NDC	DRUG NAME	LOWEST RATE— AVERAGE INGREDIENT COST PER UNIT	HIGHEST RATE— AVERAGE INGREDIENT COST PER UNIT	AVERAGE RATE— AVERAGE INGREDIENT COST PER UNIT	FFS COST PER UNIT	PERCENT BY WHICH FFS RATE EXCEEDS MCO RATE
169643810	LEVEMIR FLEXTOUCH 100 UNITS	\$27.11	\$151.73	\$41.49	\$26.63	-35.82%
187170405	MEPHYTON 5 MG TABLET	\$7.39	\$58.53	\$50.81	\$56.14	10.49%
169750111	NOVOLOG 100 UNIT/ML VIAL	\$26.69	\$61.36	\$31.06	\$26.31	-15.29%
169633910	NOVOLOG 100 UNITS/ML FLEXPE	\$34.35	\$223.58	\$56.07	\$33.96	-39.44%
603154258	POTASSIUM CL 10% (20 MEQ/15	\$0.06	\$0.55	\$0.32	\$0.44	37.50%
64764054311	PREVACID 15 MG SOLUTAB	\$13.41	\$14.40	\$13.77	\$13.27	-3.63%
64764054411	PREVACID 30 MG SOLUTAB	\$7.64	\$14.23	\$12.88	\$13.27	3.03%

		MCO PBM A	verage Ingredient	Cost Per Unit		
NDC	DRUG NAME	LOWEST RATE— AVERAGE INGREDIENT COST PER UNIT	HIGHEST RATE— AVERAGE INGREDIENT COST PER UNIT	AVERAGE RATE— AVERAGE INGREDIENT COST PER UNIT	FFS COST PER UNIT	PERCENT BY WHICH FFS RATE EXCEEDS MCO RATE
59310057922	PROAIR HFA 90 MCG INHALER	\$6.79	\$7.61	\$7.02	\$6.65	-5.27%
186198804	PULMICORT 0.25 MG/2 ML RESP ²⁶	N/A	N/A	N/A	\$4.17	N/A
186198904	PULMICORT 0.5 MG/2 ML RESPU	\$4.99	\$5.11	\$5.05	\$4.92	-2.57%
186199004	PULMICORT 1 MG/2 ML RESPULE	\$10.16	\$10.16	\$10.16	\$9.85	-3.05%
50242010040	PULMOZYME 1 MG/ML AMPUL	\$44.13	\$47.72	\$45.59	\$44.50	-2.39%
69033621	REVATIO 10 MG/ML ORAL SUSP	\$71.63	\$76.33	\$74.03	\$69.86	-5.63%
50484001030	SANTYL OINTMENT	\$7.29	\$12.75	\$8.07	\$7.21	-10.66%
55513007330	SENSIPAR 30 MG TABLET	\$26.05	\$27.79	\$26.83	\$26.03	-2.98%

²⁶ No MCO reimbursement.

		MCO PBM A	verage Ingredient	Cost Per Unit		
NDC	DRUG NAME	LOWEST RATE— AVERAGE INGREDIENT COST PER UNIT	HIGHEST RATE— AVERAGE INGREDIENT COST PER UNIT	AVERAGE RATE— AVERAGE INGREDIENT COST PER UNIT	FFS COST PER UNIT	PERCENT BY WHICH FFS RATE EXCEEDS MCO RATE
55513007430	SENSIPAR 60 MG TABLET	\$52.05	\$68.22	\$55.34	\$52.03	-5.98%
55513007530	SENSIPAR 90 MG TABLET	\$79.88	\$80.35	\$80.17	\$78.13	-2.54%
597007541	SPIRIVA 18 MCG CP- HANDIHALE	\$12.83	\$13.59	\$13.12	\$12.54	-4.42%
186037020	SYMBICORT 160-4.5 MCG INHAL	\$31.06	\$34.71	\$32.13	\$30.58	-4.82%
64380073706	VIT D2 1.25 MG (50,000 UNIT	\$0.03	\$1.27	\$0.29	\$0.14	-51.72%
50458057930	XARELTO 20 MG TABLET	\$13.53	\$14.76	\$13.94	\$13.13	-5.81%
50458057990	XARELTO 20 MG TABLET	\$4.78	\$14.26	\$12.79	\$13.36	4.46%
65649030302	XIFAXAN 550 MG TABLET	\$23.52	\$36.78	\$34.40	\$34.43	0.09%
6307402	ZEPATIER 50- 100 MG TABLET	\$624.94	\$674.70	\$652.53	\$568.36	-12.91%

^{*} HealthChoice Average rate is higher than FFS Rate indicated by "+". HealthChoice Average Rate is lower than FFS Rate indicated by "-".

Table 4. HealthChoice PBM Reimbursement Rates: Comparison of Average Ingredient Cost Per Unit Across Calendar Years—CY16 v. CY17, CY17 v. CY18, CY16 v. CY18

NDC	DRUG NAME	Ingredient C	n Average lost Per Unit, v. CY17	Ingredient C	n Average Cost Per Unit, y. CY18	Ingredient C	ost Per Unit, CY18
173069600	ADVAIR 250- 50 DISKUS	\$0.10	1.81%	\$0.55	9.79%	\$0.65	11.78%
173069700	ADVAIR 500- 50 DISKUS	\$0.14	1.93%	\$0.71	9.61%	\$0.85	11.72%
58914017014	CARAFATE 1 GM/10 ML SUSP	\$0.05	13.51%	\$0.07	16.67%	\$0.12	32.43%
4026129	CELLCEPT 200 MG/ML ORAL SUS	\$0.35	4.35%	\$0.16	1.90%	\$0.51	6.34%
597002402	COMBIVENT RESPIMAT INHAL SP	\$7.07	8.96%	\$7.23	8.41%	\$14.30	18.13%
68546031730	COPAXONE 20 MG/ML SYRINGE	\$5.68	2.45%	\$0.56	0.24%	\$6.24	2.70%
32121201	CREON DR 12,000 UNITS CAPSU	\$(0.16)	-4.92%	\$0.42	13.59%	\$0.26	8.00%
32122401	CREON DR 24,000 UNITS CAPSU	\$0.85	15.63%	\$(0.56)	-8.90%	\$0.29	5.33%
32122407	CREON DR 24,000 UNITS CAPSU	\$0.16	3.12%	\$0.37	6.99%	\$0.53	10.33%

NDC	DRUG NAME	Ingredient C	ost Per Unit, CY17	Ingredient C	n Average Fost Per Unit, 7. CY18	Ingredient C	o Average Sost Per Unit, V. CY18
259050116	CUVPOSA 1 MG/5 ML SOLUTION	\$0.02	1.94%	\$0.00	0.00%	\$0.02	1.94%
24338013402	E.E.S. 200 MG/5 ML GRANULES	\$(0.78)	-16.88%	\$(0.13)	-3.39%	\$(0.91)	-19.70%
3089321	ELIQUIS 2.5 MG TABLET	\$0.53	8.86%	\$0.42	6.45%	\$0.95	15.89%
3089421	ELIQUIS 5 MG TABLET	\$0.62	10.63%	\$0.51	7.91%	\$1.13	19.38%
61958220101	EPCLUSA 400 MG-100 MG TABLE	\$(38.22)	-4.26%	\$(21.24)	-2.47%	\$(59.46)	-6.63%
173071920	FLOVENT HFA 110 MCG INHALER	\$1.64	9.26%	\$1.14	5.89%	\$2.78	15.69%
173071820	FLOVENT HFA 44 MCG INHALER	\$0.84	5.59%	\$1.08	6.81%	\$1.92	12.77%
78064930	GLEEVEC 400 MG TABLET	\$(34.26)	-10.23%	\$37.53	12.49%	\$3.27	0.98%
61958180101	HARVONI 90- 400 MG TABLET	\$(26.05)	-2.41%	\$(16.67)	-1.58%	\$(42.72)	-3.96%
2751001	HUMALOG 100 UNITS/ML	\$2.08	9.08%	\$1.09	4.36%	\$3.17	13.84%
74433902	HUMIRA 40 MG/0.8 ML PEN	\$209.01	10.54%	\$219.49	10.01%	\$428.50	21.60%

NDC	DRUG NAME	Ingredient C	n Average ost Per Unit, v. CY17	Ingredient C	n Average Cost Per Unit, V. CY18	Ingredient C	n Average ost Per Unit, v. CY18
6027731	JANUVIA 100 MG TABLET	\$0.93	7.65%	\$1.13	8.63%	\$2.06	16.94%
6027754	JANUVIA 100 MG TABLET	\$0.92	8.25%	\$1.00	8.29%	\$1.92	17.22%
88222033	LANTUS 100 UNIT/ML VIAL	\$(0.96)	-3.70%	\$0.92	3.69%	\$(0.04)	-0.15%
88221905	LANTUS SOLOSTAR 100 UNIT/ML	\$(10.22)	-24.14%	\$0.72	2.24%	\$(9.50)	-22.44%
169368712	LEVEMIR 100 UNITS/ML VIAL	\$(1.61)	-5.39%	\$0.19	0.67%	\$(1.42)	-4.76%
169643810	LEVEMIR FLEXTOUCH 100 UNITS	\$(7.46)	-15.54%	\$0.96	2.37%	\$(6.50)	-13.54%
187170405	MEPHYTON 5 MG TABLET	\$2.02	4.09%	\$(0.64)	-1.24%	\$1.38	2.79%
169750111	NOVOLOG 100 UNIT/ML VIAL	\$1.64	5.88%	\$1.52	5.15%	\$3.16	11.33%
169633910	NOVOLOG 100 UNITS/ML	\$3.96	7.06%	\$(4.00)	-6.65%	\$(0.04)	-0.07%
603154258	POTASSIUM CL 10% (20 MEQ/15	\$0.13	61.90%	\$(0.02)	-5.88%	\$0.11	52.38%
64764054311	PREVACID 15 MG SOLUTAB	\$0.77	6.56%	\$1.27	10.16%	\$2.04	17.39%

NDC	DRUG NAME	O	n Average ost Per Unit, v. CY17	Ingredient C	n Average Cost Per Unit, v. CY18	Ingredient C	n Average lost Per Unit, v. CY18
64764054411	PREVACID 30 MG SOLUTAB	\$0.60	4.90%	\$0.04	0.31%	\$0.64	5.23%
59310057922	PROAIR HFA 90 MCG INHALER	\$0.64	10.77%	\$0.44	6.69%	\$1.08	18.18%
186198804	PULMICORT 0.25 MG/2 ML RESP	\$(67.80)	-93.94%	\$(4.37)	-100.00%	\$(72.17)	-100.00%
186198904	PULMICORT 0.5 MG/2 ML RESPU	\$ (0.61)	-12.03%	\$0.59	13.23%	\$(0.02)	-0.39%
186199004	PULMICORT 1 MG/2 ML RESPULE	\$ (0.09)	-0.89%	\$0.09	0.89%	\$0.00	0.00%
50242010040	PULMOZYM E 1 MG/ML AMPUL	\$2.76	6.74%	\$1.90	4.35%	\$4.66	11.39%
69033621	REVATIO 10 MG/ML ORAL SUSP	\$8.59	14.92%	\$7.86	11.88%	\$16.45	28.57%
50484001030	SANTYL OINTMENT	\$ (0.68)	-8.00%	\$0.25	3.20%	\$(0.43)	-5.06%
55513007330	SENSIPAR 30 MG TABLET	4.80	20.03%	\$ (1.94)	-6.74%	\$2.86	11.93%
55513007430	SENSIPAR 60 MG TABLET	\$5.72	11.91%	\$1.60	2.98%	\$7.32	15.24%
55513007530	SENSIPAR 90 MG TABLET	\$5.69	8.02%	\$3.55	4.63%	\$9.24	13.03%

NDC	DRUG NAME	Ingredient C	n Average Fost Per Unit, V. CY17	Ingredient C	n Average lost Per Unit, v. CY18	Ingredient C	ost Per Unit, CY18
597007541	SPIRIVA 18 MCG CP- HANDIHALE	\$1.98	17.51%	\$ (0.17)	-1.28%	\$1.81	16.00%
186037020	SYMBICORT 160-4.5 MCG INHAL	\$1.46	5.04%	\$1.73	5.69%	\$3.19	11.02%
64380073706	VIT D2 1.25 MG (50,000 UNIT	\$0.02	6.90%	\$(0.02)	-6.45%	\$0.00	0.00%
50458057930	XARELTO 20 MG TABLET	\$1.10	9.47%	\$1.23	9.68%	\$2.33	20.07%
50458057990	XARELTO 20 MG TABLET	\$1.96	18.25%	\$0.09	0.71%	\$2.05	19.09%
65649030302	XIFAXAN 550 MG TABLET	\$2.17	7.16%	\$1.92	5.91%	\$4.09	13.49%
6307402	ZEPATIER 50- 100 MG TABLET	\$(45.17)	-5.69%	\$(96.19)	-12.85%	\$(141.36)	-17.80%

 Table 5. Calendar Year 2016: Comparison of Dispensing Fees—MCO PBM Reimbursement Rates

		MCO PBM Dispensing Fee					
NDC	DRUG NAME	Dispensing Fee: Lowest	Dispensing Fee: Highest	Average Dispensing Rate			
173069600	ADVAIR 250-50 DISKUS	\$0.44	\$16.30	\$3.00			
173069700	ADVAIR 500-50 DISKUS	\$0.53	\$17.00	\$3.16			
58914017014	CARAFATE 1 GM/10 ML SUSP	\$0.55	\$16.09	\$3.39			
4026129	CELLCEPT 200 MG/ML ORAL SUS	\$0.66	\$0.95	\$0.81			
597002402	COMBIVENT RESPIMAT INHAL SP	\$0.55	\$15.13	\$3.16			
68546031730	COPAXONE 20 MG/ML SYRINGE	\$0.00	\$0.00	\$0.00			
32121201	CREON DR 12,000 UNITS CAPSU	\$0.57	\$14.00	\$2.76			
32122401	CREON DR 24,000 UNITS CAPSU	\$0.45	\$17.00	\$3.15			
32122407	CREON DR 24,000 UNITS CAPSU	\$0.44	\$1.50	\$0.76			
259050116	CUVPOSA 1 MG/5 ML SOLUTION	\$0.45	\$0.50	\$0.48			
24338013402	E.E.S. 200 MG/5 ML GRANULES	\$0.48	\$3.00	\$1.22			
3089321	ELIQUIS 2.5 MG TABLET	\$0.46	\$17.00	\$3.39			

			MCO PBM Dispensing Fee	
NDC	DRUG NAME	Dispensing Fee: Lowest	Dispensing Fee: Highest	Average Dispensing Rate
3089421	ELIQUIS 5 MG TABLET	\$0.51	\$17.00	\$3.12
61958220101	EPCLUSA 400 MG-100 MG TABLE	\$0.00	\$17.00	\$3.13
173071920	FLOVENT HFA 110 MCG INHALER	\$0.45	\$14.75	\$2.79
173071820	FLOVENT HFA 44 MCG INHALER	\$0.54	\$14.96	\$3.21
78064930	GLEEVEC 400 MG TABLET	\$0.00	\$0.63	\$0.16
61958180101	HARVONI 90-400 MG TABLET	\$0.01	\$16.87	\$3.15
2751001	HUMALOG 100 UNITS/ML VIAL	\$0.55	\$15.66	\$2.93
74433902	HUMIRA 40 MG/0.8 ML PEN	\$0.00	\$15.70	\$2.55
6027731	JANUVIA 100 MG TABLET	\$0.52	\$11.23	\$2.30
6027754	JANUVIA 100 MG TABLET	\$0.45	\$17.00	\$3.08
88222033	LANTUS 100 UNIT/ML VIAL	\$0.52	\$15.95	\$2.97
88221905	LANTUS SOLOSTAR 100 UNIT/ML	\$0.53	\$15.92	\$2.96
169368712	LEVEMIR 100 UNITS/ML VIAL	\$0.52	\$16.09	\$3.66
169643810	LEVEMIR FLEXTOUCH 100 UNITS	\$0.52	\$16.32	\$3.01

			MCO PBM Dispensing Fee	
NDC	DRUG NAME	Dispensing Fee: Lowest	Dispensing Fee: Highest	Average Dispensing Rate
187170405	MEPHYTON 5 MG TABLET	\$ 0.44	\$17.00	\$3.78
169750111	NOVOLOG 100 UNIT/ML VIAL	\$0.52	\$14.90	\$3.10
169633910	NOVOLOG 100 UNITS/ML FLEXPE	\$0.54	\$16.56	\$3.05
603154258	POTASSIUM CL 10% (20 MEQ/15	\$0.45	\$5.00	\$1.41
64764054311	PREVACID 15 MG SOLUTAB	\$0.45	\$17.00	\$3.44
64764054411	PREVACID 30 MG SOLUTAB	\$0.51	\$17.00	\$4.14
59310057922	PROAIR HFA 90 MCG INHALER	\$0.50	\$4.66	\$1.39
186198804	PULMICORT 0.25 MG/2 ML RESP	\$1.11	\$17.00	\$9.06
186198904	PULMICORT 0.5 MG/2 ML RESPU	\$0.68	\$0.70	\$0.69
186199004	PULMICORT 1 MG/2 ML RESPULE	\$0.45	\$0.70	\$0.44
50242010040	PULMOZYME 1 MG/ML AMPUL	\$0.00	\$0.45	\$0.15
69033621	REVATIO 10 MG/ML ORAL SUSP	\$0.00	\$0.18	\$0.06
50484001030	SANTYL OINTMENT	\$0.44	\$10.68	\$2.37
55513007330	SENSIPAR 30 MG TABLET	\$0.38	\$17.00	\$3.98

			MCO PBM Dispensing Fee	
NDC	DRUG NAME	Dispensing Fee: Lowest	Dispensing Fee: Highest	Average Dispensing Rate
55513007430	SENSIPAR 60 MG TABLET	\$0.41	\$17.00	\$3.97
55513007530	SENSIPAR 90 MG TABLET	\$0.16	\$0.60	\$0.40
597007541	SPIRIVA 18 MCG CP- HANDIHALE	\$0.40	\$2.00	\$0.93
186037020	SYMBICORT 160-4.5 MCG INHAL	\$0.55	\$16.57	\$3.07
64380073706	VIT D2 1.25 MG (50,000 UNIT	\$0.46	\$1.54	\$0.84
50458057930	XARELTO 20 MG TABLET	\$0.55	\$17.00	\$3.48
50458057990	XARELTO 20 MG TABLET	\$0.41	\$2.00	\$0.89
65649030302	XIFAXAN 550 MG TABLET	\$0.51	\$16.03	\$3.30
6307402	ZEPATIER 50-100 MG TABLET	\$0.00	\$17.00	\$3.22

 Table 6. Calendar Year 2017: Comparison of Dispensing Fees—MCO PBM Reimbursement Rates

		MCO PBM Dispensing Fee				
NDC	DRUG NAME	Dispensing Fee: Lowest	Dispensing Fee: Highest	Dispensing Fee: Average		
173069600	ADVAIR 250- 50 DISKUS	\$0.45	\$16.32	\$2.67		
173069700	ADVAIR 500- 50 DISKUS	\$0.42	\$16.62	\$2.71		
58914017014	CARAFATE 1 GM/10 ML SUSP	\$0.48	\$11.60	\$2.14		
4026129	CELLCEPT 200 MG/ML ORAL SUS	\$0.87	\$1.09	\$0.98		
597002402	COMBIVENT RESPIMAT INHAL SP	RESPIMAT \$0.40 \$15.82		\$2.37		
68546031730	COPAXONE 20 MG/ML SYRINGE	\$0.00	\$0.42	\$0.11		
32121201	CREON DR 12,000 UNITS CAPSU	,000 UNITS \$0.40 \$15.50		\$2.38		
32122401	CREON DR 24,000 UNITS CAPSU	\$0.47	\$17.00	\$2.79		
32122407	CREON DR 24,000 UNITS CAPSU	\$0.31	\$1.50	\$0.67		
259050116	CUVPOSA 1 MG/5 ML SOLUTION	\$0.35	\$1.11	\$0.58		

			MCO PBM Dispensing Fee			
NDC	DRUG NAME	Dispensing Fee: Lowest	Dispensing Fee: Highest	Dispensing Fee: Average		
24338013402	E.E.S. 200 MG/5 ML GRANULES	\$0.00	\$5.00	\$1.31		
3089321	ELIQUIS 2.5 MG TABLET	\$0.36	\$17.00	\$2.76		
3089421	ELIQUIS 5 MG TABLET	\$0.40	\$16.69	\$2.71		
61958220101	EPCLUSA 400 MG-100 MG TABLE	\$0.00	\$17.00	\$2.41		
173071920	FLOVENT HFA 110 MCG INHALER	\$0.45	\$16.29	\$2.46		
173071820	FLOVENT HFA 44 MCG INHALER	\$0.44	\$14.98	\$2.50		
78064930	GLEEVEC 400 MG TABLET	\$0.00	\$0.50	\$0.23		
61958180101	HARVONI 90- 400 MG TABLET	\$0.00	\$17.00	\$2.41		
2751001	HUMALOG 100 UNITS/ML VIAL	\$0.43	\$15.82	\$2.61		
74433902	HUMIRA 40 MG/0.8 ML PEN	\$0.00	\$16.69	\$2.35		
6027731	JANUVIA 100 MG TABLET	\$0.40	\$17.00	\$2.48		

		MCO PBM Dispensing Fee				
NDC	DRUG NAME	Dispensing Fee: Lowest	Dispensing Fee: Highest	Dispensing Fee: Average		
6027754	JANUVIA 100 MG TABLET	\$0.35	\$14.39	\$2.16		
88222033	LANTUS 100 UNIT/ML VIAL	\$0.43	\$15.99	\$2.63		
88221905	LANTUS SOLOSTAR 100 UNIT/ML	\$0.40	\$16.66	\$2.46		
169368712	LEVEMIR 100 UNITS/ML VIAL	\$0.44	\$17.00	\$2.93		
169643810	LEVEMIR FLEXTOUCH 100 UNITS	\$0.39	\$17.00	\$2.49		
187170405	MEPHYTON 5 MG TABLET	\$0.50	\$17.00	\$3.09		
169750111	NOVOLOG 100 UNIT/ML VIAL	\$0.46	\$15.30	\$2.55		
169633910	NOVOLOG 100 UNITS/ML FLEXPE	TITS/ML \$0.45 \$16.75		\$2.72		
603154258	POTASSIUM CL 10% (20 MEQ/15	\$0.43	\$5.00	\$1.30		
64764054311	PREVACID 15 MG SOLUTAB	\$0.40	\$17.00	\$2.49		
64764054411	PREVACID 30 MG SOLUTAB	\$0.35	\$15.13	\$2.50		

			MCO PBM Dispensing Fee				
NDC	DRUG NAME	Dispensing Fee: Lowest	Dispensing Fee: Highest	Dispensing Fee: Average			
59310057922	PROAIR HFA 90 MCG INHALER	\$0.41	\$2.40	\$0.89			
186198804	PULMICORT 0.25 MG/2 ML RESP	\$0.50	\$1.11	\$0.81			
186198904	PULMICORT 0.5 MG/2 ML RESPU	\$0.37	\$0.45	\$0.41			
186199004	PULMICORT 1 MG/2 ML RESPULE	\$0.35	\$0.70	\$0.53			
50242010040	PULMOZYME 1 MG/ML AMPUL	\$0.00	\$1.50	\$0.46			
69033621	REVATIO 10 MG/ML ORAL SUSP	\$0.00	\$0.50	\$0.16			
50484001030	SANTYL OINTMENT	\$0.40	\$12.43	\$2.20			
55513007330	SENSIPAR 30 MG TABLET	\$0.29	\$14.00	\$2.36			
55513007430	SENSIPAR 60 MG TABLET	\$0.23	\$2.00	\$0.85			
55513007530	SENSIPAR 90 MG TABLET	\$0.10	\$1.07	\$0.53			
597007541	SPIRIVA 18 MCG CP- HANDIHALE	\$0.42	\$9.50	\$1.82			

		MCO PBM Dispensing Fee				
NDC	DRUG NAME	Dispensing Fee: Lowest	Dispensing Fee: Highest	Dispensing Fee: Average		
186037020	SYMBICORT 160-4.5 MCG INHAL	\$0.40	\$17.00	\$2.49		
64380073706	VIT D2 1.25 MG (50,000 UNIT	\$0.35	\$2.00	\$0.83		
50458057930	XARELTO 20 MG TABLET	\$0.44	\$17.00	\$2.75		
50458057990	XARELTO 20 MG TABLET	\$0.35	\$1.50	\$0.64		
65649030302	XIFAXAN 550 MG TABLET	\$0.42	\$17.00	\$2.77		
6307402	ZEPATIER 50- 100 MG TABLET	\$0.00	\$17.00	\$2.41		

Table 7. Calendar Year 2018: Comparison of Dispensing Fees—MCO PBM Reimbursement Rates

		MCO PBM Dispensing Fee					
NDC	DRUG NAME	Dispensing Fee: Lowest	Dispensing Fee: Highest	Average Dispensing Fee			
173069600	ADVAIR 250-50 DISKUS	\$0.38	\$15.95	\$2.34			
173069700	ADVAIR 500-50 DISKUS	\$0.38	\$16.41	\$2.38			
58914017014	CARAFATE 1 GM/10 ML SUSP	\$0.37	\$17.00	\$2.49			
4026129	CELLCEPT 200 MG/ML ORAL SUS	\$0.50	\$0.50	\$0.50			
597002402	COMBIVENT RESPIMAT INHAL SP	\$0.38	\$15.80	\$2.32			
68546031730	COPAXONE 20 MG/ML SYRINGE	\$0.00	\$0.10	\$0.03			
32121201	CREON DR 12,000 UNITS CAPSU	\$0.37	\$14.82	\$2.24			
32122401	CREON DR 24,000 UNITS CAPSU	\$0.38	\$17.00	\$2.48			
32122407	CREON DR 24,000 UNITS CAPSU	\$0.22	\$1.50	\$0.62			
259050116	CUVPOSA 1 MG/5 ML SOLUTION	\$0.35	\$0.50	\$0.40			
24338013402	E.E.S. 200 MG/5 ML GRANULES	\$0.50	\$1.02	\$0.68			
3089321	ELIQUIS 2.5 MG TABLET	\$0.35	\$1.50	\$0.66			
3089421	ELIQUIS 5 MG TABLET	\$0.38	\$15.80	\$2.32			

		MCO PBM Dispensing Fee			
NDC	DRUG NAME	Dispensing Fee: Lowest	Dispensing Fee: Highest	Average Dispensing Fee	
61958220101	EPCLUSA 400 MG-100 MG TABLE	\$0.00	\$100.00	\$13.28	
173071920	FLOVENT HFA 110 MCG INHALER	\$0.37	\$17.00	\$2.45	
173071820	FLOVENT HFA 44 MCG INHALER	\$0.35	\$16.03	\$2.34	
78064930	GLEEVEC 400 MG TABLET	\$0.00	\$0.50	\$0.13	
61958180101	HARVONI 90-400 MG TABLET	\$0.08	\$100.00	\$14.92	
2751001	HUMALOG 100 UNITS/ML VIAL	\$0.36	\$15.86	\$2.32	
74433902	HUMIRA 40 MG/0.8 ML PEN	\$0.00	\$60.14	\$8.80	
6027731	JANUVIA 100 MG TABLET	\$0.38	\$1.75	\$0.75	
6027754	JANUVIA 100 MG TABLET	\$0.35	\$17.00	\$2.43	
88222033	LANTUS 100 UNIT/ML VIAL	\$0.38	\$16.35	\$2.40	
88221905	LANTUS SOLOSTAR 100 UNIT/ML	\$0.37	\$16.77	\$2.43	
169368712	LEVEMIR 100 UNITS/ML VIAL	\$0.35	\$16.20	\$2.60	
169643810	LEVEMIR FLEXTOUCH 100 UNITS	\$0.35	\$17.00	\$2.45	
187170405	MEPHYTON 5 MG TABLET	\$0.35	\$15.80	\$2.37	

		MCO PBM Dispensing Fee			
NDC	DRUG NAME	Dispensing Fee: Lowest	Dispensing Fee: Highest	Average Dispensing Fee	
169750111	NOVOLOG 100 UNIT/ML VIAL	\$0.35	\$16.31	\$2.38	
169633910	NOVOLOG 100 UNITS/ML FLEXPE	\$0.34	\$17.00	\$2.45	
603154258	POTASSIUM CL 10% (20 MEQ/15	\$0.35	\$4.35	\$1.09	
64764054311	PREVACID 15 MG SOLUTAB	\$0.35	\$1.50	\$0.66	
64764054411	PREVACID 30 MG SOLUTAB	\$0.35	\$15.21	\$2.80	
59310057922	PROAIR HFA 90 MCG INHALER	\$0.34	\$3.44	\$0.95	
186198804	PULMICORT 0.25 MG/2 ML RESP	N/A	N/A	N/A	
186198904	PULMICORT 0.5 MG/2 ML RESPU	\$0.50	\$0.70	\$0.60	
186199004	PULMICORT 1 MG/2 ML RESPULE	\$0.19	\$0.19	\$0.19	
50242010040	PULMOZYME 1 MG/ML AMPUL	\$0.00	\$100.00	\$20.08	
69033621	REVATIO 10 MG/ML ORAL SUSP	\$0.00	\$0.50	\$0.29	
50484001030	SANTYL OINTMENT	\$0.36	\$15.83	\$2.39	
55513007330	SENSIPAR 30 MG TABLET	\$0.33	\$4.29	\$1.02	
55513007430	SENSIPAR 60 MG TABLET	\$0.23	\$9.38	\$2.00	

			MCO PBM Dispensing Fee	
NDC	DRUG NAME	Dispensing Fee: Lowest	Dispensing Fee: Highest	Average Dispensing Fee
55513007530	SENSIPAR 90 MG TABLET	\$0.23	\$1.07	\$0.54
597007541	SPIRIVA 18 MCG CP- HANDIHALE	\$0.35	\$1.50	\$0.63
186037020	SYMBICORT 160-4.5 MCG INHAL	\$0.38	\$17.00	\$2.45
64380073706	VIT D2 1.25 MG (50,000 UNIT	\$0.37	\$1.75	\$0.80
50458057930	XARELTO 20 MG TABLET	\$0.37	\$16.75	\$2.42
50458057990	XARELTO 20 MG TABLET	\$0.33	\$1.75	\$0.75
65649030302	XIFAXAN 550 MG TABLET	\$0.35	\$15.52	\$2.29
6307402	ZEPATIER 50-100 MG TABLET	\$0.00	\$1.50	\$0.35

Table 8. HealthChoice PBM Reimbursement Rates: Comparison of Dispensing Fees Across Calendar Years—CY16 v. CY17, CY17 v. CY18, CY16 v. CY18

NDC	DRUG NAME	Change in Average Dispensing Fee Rate, CY16 v. CY17 Change in Average Dispensing Fee Rate, CY17 Dispensing Fee Rate v. CY18 Change in Average Dispensing Fee Rate v. CY18		Dispensing Fee Rate, CY17		ee Rate, CY16	
173069600	ADVAIR 250- 50 DISKUS	\$(0.33)	-11.00%	\$(0.33)	-12.36%	\$(0.66)	-22.00%
173069700	ADVAIR 500- 50 DISKUS	\$(0.45)	-14.24%	\$(0.33)	-12.18%	\$(0.78)	-24.68%
58914017014	CARAFATE 1 GM/10 ML SUSP	\$(1.25)	-36.87%	\$0.35	16.36%	\$(0.90)	-26.55%
4026129	CELLCEPT 200 MG/ML ORAL SUS	\$0.17	20.99%	\$(0.48)	-48.98%	\$(0.31)	-38.27%
597002402	COMBIVENT RESPIMAT INHAL SP	\$(0.79)	-25.00%	\$(0.05)	-2.11%	\$(0.84)	-26.58%
68546031730	COPAXONE 20 MG/ML SYRINGE	\$0.11	N/A	\$(0.08)	-72.73%	\$0.03	NA
32121201	CREON DR 12,000 UNITS CAPSU	\$(0.38)	-13.77%	\$(0.14)	-5.88%	\$(0.52)	-18.84%
32122401	CREON DR 24,000 UNITS CAPSU	\$(0.36)	-11.43%	\$(0.31)	-11.11%	\$(0.67)	-21.27%
32122407	CREON DR 24,000 UNITS CAPSU	\$(0.09)	-11.84%	\$(0.05)	-7.46%	\$(0.14)	-18.42%
259050116	CUVPOSA 1 MG/5 ML SOLUTION	\$0.10	20.83%	\$(0.18)	-31.03%	\$(0.08)	-16.67%
24338013402	E.E.S. 200 MG/5 ML GRANULES	\$ 0.09	7.38%	\$(0.63)	-48.09%	\$(0.54)	-44.26%

NDC	DRUG NAME	Dispensing F	Change in Average Dispensing Fee Rate, CY16 v. CY17 Change in Average Dispensing Fee Rate, CY17 Dispensing Fee Rate, CY17 v. CY18 Change in Average Dispensing Fee Rate, CY17 v. CY18		Dispensing Fee Rate, CY17		ee Rate, CY16
3089321	ELIQUIS 2.5 MG TABLET	\$ (0.63)	-18.58%	\$(2.10)	-76.09%	\$(2.73)	-80.53%
3089421	ELIQUIS 5 MG TABLET	\$ (0.41)	-13.14%	\$(0.39)	-14.39%	\$(0.80)	-25.64%
61958220101	EPCLUSA 400 MG-100 MG TABLE	\$ (0.72)	-23.00%	\$10.87	451.04%	\$10.15	324.28%
173071920	FLOVENT HFA 110 MCG INHALER	\$ (0.33)	-11.83%	\$(0.01)	-0.41%	\$(0.34)	-12.19%
173071820	FLOVENT HFA 44 MCG INHALER	\$ (0.71)	-22.12%	\$(0.16)	-6.40%	\$(0.87)	-27.10%
78064930	GLEEVEC 400 MG TABLET	\$ 0.07	43.75%	\$(0.10)	-43.48%	\$(0.03)	-18.75%
61958180101	HARVONI 90- 400 MG TABLET	\$ (0.74)	-23.49%	\$12.51	519.09%	\$11.77	373.65%
2751001	HUMALOG 100 UNITS/ML	\$ (0.32)	-10.92%	\$(0.29)	-11.11%	\$(0.61)	-20.82%
74433902	HUMIRA 40 MG/0.8 ML PEN	\$ (0.20)	-7.84%	\$6.45	274.47%	\$6.25	245.10%
6027731	JANUVIA 100 MG TABLET	\$ 0.18	7.83%	\$(1.73)	-69.76%	\$(1.55)	-67.39%
6027754	JANUVIA 100 MG TABLET	\$ (0.92)	-29.87%	\$0.27	12.50%	\$(0.65)	-21.10%

NDC	DRUG NAME	Dispensing F	Change in Average Dispensing Fee Rate, CY16 v. CY17 Change in Average Dispensing Fee Rate, CY17 Dispensing Fee Rate, CY17 v. CY18 Change in Average Dispensing Fee Rate, CY17 v. CY18		ee Rate, CY16		
88222033	LANTUS 100 UNIT/ML VIAL	\$ (0.34)	-11.45%	\$(0.23)	-8.75%	\$(0.57)	-19.19%
88221905	LANTUS SOLOSTAR 100 UNIT/ML	\$ (0.50)	-16.89%	\$(0.03)	-1.22%	\$(0.53)	-17.91%
169368712	LEVEMIR 100 UNITS/ML VIAL	\$ (0.73)	-19.95%	\$(0.33)	-11.26%	\$(1.06)	-28.96%
169643810	LEVEMIR FLEXTOUCH 100 UNITS	\$ (0.52)	-17.28%	\$(0.04)	-1.61%	\$(0.56)	-18.60%
187170405	MEPHYTON 5 MG TABLET	\$ (0.69)	-18.25%	\$(0.72)	-23.30%	\$(1.41)	-37.30%
169750111	NOVOLOG 100 UNIT/ML VIAL	\$ (0.55)	-17.74%	\$(0.17)	-6.67%	\$(0.72)	-23.23%
169633910	NOVOLOG 100 UNITS/ML	\$ (0.33)	-10.82%	\$(0.27)	-9.93%	\$(0.60)	-19.67%
603154258	POTASSIUM CL 10% (20 MEQ/15	\$ (0.11)	-7.80%	\$(0.21)	-16.15%	\$(0.32)	-22.70%
64764054311	PREVACID 15 MG SOLUTAB	\$ (0.95)	-27.62%	\$(1.83)	-73.49%	\$(2.78)	-80.81%
64764054411	PREVACID 30 MG SOLUTAB	\$ (1.64)	-39.61%	\$0.30	12.00%	\$(1.34)	-32.37%
59310057922	PROAIR HFA 90 MCG INHALER	\$ (0.50)	-35.97%	\$0.06	6.74%	\$(0.44)	-31.65%

NDC	DRUG NAME	Change in Average Dispensing Fee Rate, CY1 v. CY17			Change in Average Dispensing Fee Rate, CY17 v. CY18		Change in Average Dispensing Fee Rate, CY16 v. CY18	
186198804	PULMICORT 0.25 MG/2 ML RESP	\$	(8.25)	-91.06%	\$(0.81)	-100.00%	\$(9.06)	-100.00%
186198904	PULMICORT 0.5 MG/2 ML RESPU	\$	(0.28)	-40.58%	\$0.19	46.34%	\$(0.09)	-13.04%
186199004	PULMICORT 1 MG/2 ML RESPULE	\$	0.09	20.45%	\$(0.34)	-64.15%	\$(0.25)	-56.82%
50242010040	PULMOZYM E 1 MG/ML AMPUL	\$	0.31	206.67%	\$19.62	4280.65%	\$19.93	13286.67%
69033621	REVATIO 10 MG/ML ORAL SUSP	\$	0.10	166.67%	\$0.13	81.25%	\$0.23	383.33%
50484001030	SANTYL OINTMENT	\$	(0.17)	-7.17%	\$0.19	8.64%	\$0.02	0.84%
55513007330	SENSIPAR 30 MG TABLET	\$	(1.62)	-40.70%	\$(1.34)	-56.78%	\$(2.96)	-74.37%
55513007430	SENSIPAR 60 MG TABLET	\$	(3.12)	-78.59%	\$1.15	135.29%	\$(1.97)	-49.62%
55513007530	SENSIPAR 90 MG TABLET	\$	0.13	32.50%	\$0.01	1.89%	\$0.14	35.00%
597007541	SPIRIVA 18 MCG CP- HANDIHALE	\$	0.89	95.70%	\$(1.19)	-65.38%	\$(0.30)	-32.26%
186037020	SYMBICORT 160-4.5 MCG INHAL	\$	(0.58)	-18.89%	\$(0.04)	-1.61%	\$(0.62)	-20.20%

NDC	DRUG NAME	Dispensing Fe	n Average ee Rate, CY16 Y17	Change in Average Dispensing Fee Rate, CY17 v. CY18		Change in Average Dispensing Fee Rate, CY16 v. CY18	
64380073706	VIT D2 1.25 MG (50,000 UNIT	\$ (0.01)	-1.19%	\$(0.03)	-3.61%	\$(0.04)	-4.76%
50458057930	XARELTO 20 MG TABLET	\$ (0.73)	-20.98%	\$(0.33)	-12.00%	\$(1.06)	-30.46%
50458057990	XARELTO 20 MG TABLET	\$ (0.25)	-28.09%	\$0.11	17.19%	\$(0.14)	-15.73%
65649030302	XIFAXAN 550 MG TABLET	\$ (0.53)	-16.06%	\$(0.48)	-17.33%	\$(1.01)	-30.61%
6307402	ZEPATIER 50- 100 MG TABLET	\$ (0.81)	-25.16%	\$(2.06)	-85.48%	\$(2.87)	-89.13%