

Colorado Drug Rebate Reporting

Every American deserves affordable, comprehensive health care coverage.

That includes affordable prescription drugs. But drug prices are out of control. Why? Because drug makers take advantage of consumer needs to set high prices, then raise them year after year—sometimes even raising them several times a year.

Big Pharma wants everyone to believe that pharmacy benefit managers (PBMs) are to blame and that more transparent reporting is needed for consumers. But in Colorado, health plans are already required to report on drug rebates as part of the Data Submission Guide for the All Payer Claims Database.

Reporting includes:

The total amount of any prescription drug rebates, discounts and other pharmaceutical manufacturer compensation or price concessions paid by pharmaceutical manufacturers to a payer or their pharmacy benefit manager(s).

Initially, payers must submit historical data for the most recent three calendar-year periods. On a yearly basis thereafter, payers must transmit a complete and accurate Annual Prescription Drug Rebate data file for the most recent year, and complete three calendar-year periods by no later than September 30th of the following year. The data must include:

- Total Pharmacy Expenditure Amount
- Pharmacy Expenditure Amount: Specialty Drugs
- Pharmacy Expenditure Amount: Non-Specialty Brand Drugs
- Pharmacy Expenditure Amount: Non-Specialty Generic Drugs
- Total Prescription Drug Rebate Amount
- Prescription Drug Rebate Amount: Specialty Drugs
- Prescription Drug Rebate Amount: Non-Specialty Brand Drugs
- Prescription Drug Rebate Amount: Non-Specialty Generic Drugs
- Per Member Per Month Pharmacy Expenditure Amount
- Per Member Per Month Prescription Drug Rebate Amount
- Combined Rebate Identifier

2012

2015

Coloradans saw a **27% increase** in pharmacy services between 2012 – 2015.

Policymakers should focus on drug prices if they want to save Coloradans money on health care

- Coloradans saw a **27% increase** in pharmacy services between 2012 – 2015.
- The Pharmaceutical Trend by Year by Type of Health Insurance shows a **10.82% increase** in premiums for an individual off exchange based solely on the increase in price of pharmaceuticals. The average total prescription trend for an individual off exchange was 37% increase in premiums.

Health plans and PBMs are advocates for lower drug prices. Any government intervention to support further lowering of prices should focus on increasing market competition, transparency of manufacturer prices and consumer education.

1. Center for Improving Value in Health Care: All Payer Claims Database Data Submission Guide, Version 10, 2018.

2. Ibid, pages 78 – 81.

3. Center for Improving Value in Health Care: Cost of Care Report. <https://www.civhc.org/get-data/public-data/interactive-data/cost-of-care/>

4. Division of Insurance: Health Insurance Cost Report for Calendar Year 2017. https://drive.google.com/a/colohealthplans.org/file/d/1Cff9sUyj8vhSTAPswEC8YaUJ-XIJ1XCn/view?usp=drive_open