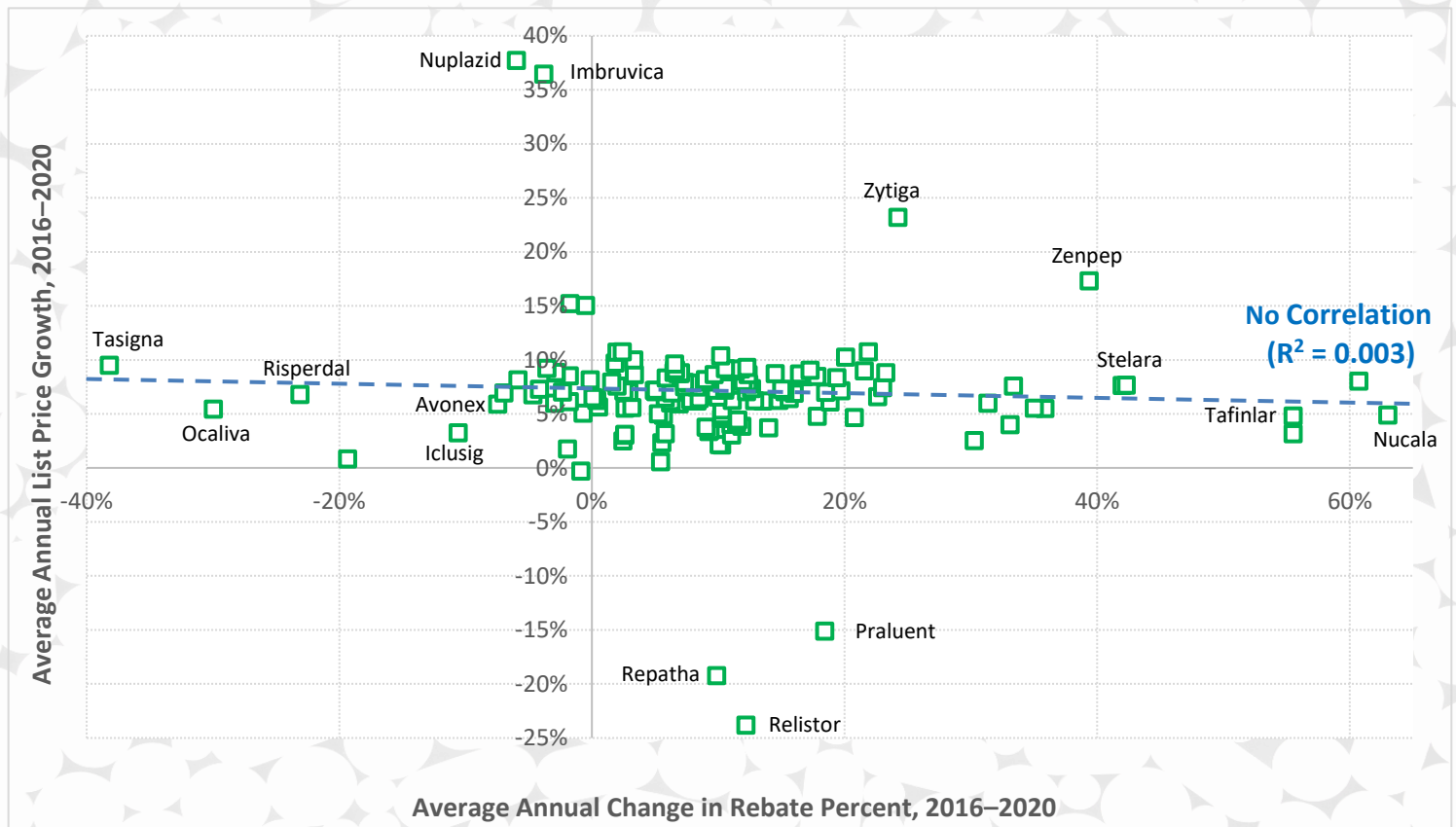


DATA SHOWS THAT MANUFACTURER DRUG PRICE INCREASES ARE UNRELATED TO PBM NEGOTIATED REBATES

Increases in Drug List Prices Not Correlated with Changes in Rebates (2016-2020)



Each square represents a specific brand name prescription drug (e.g., Tasigna, Nuplazid, Imbruvica, Zytiga). The sample of brand drugs included are from the Medicare Part D top 250 drugs by total spending in 2020. Drugs were included in the sample if there was valid non-Medicaid rebate data from SSR Health and the drugs were on the market for the entire 2016–2020 period, resulting in a sample of 145 brand drugs.

Major Findings:

- ➔ Increasing list prices are not correlated with changes in prescription drug rebates. The $R^2 = 0.0003$ shown with the blue regression line indicates no statistical correlation.
- ➔ List prices increased for all drugs except three (i.e., prices increased for 142 of 145 brand drugs). There is no consistent pattern to the changes in rebates; some increased while others decreased.
- ➔ There are prominent cases of price increases on brand drugs where rebates stayed the same or declined (e.g., Tasigna, Ocaliva, Risperdal Consta, Iclusig, Avonex)

Source: Analysis of data from CMS and SSR Health, January 2022.

Note: Xeljanz is not shown in the graphic due to graph truncation, but is included in the correlation analysis; change in list price was 9% and change in rebates was 87%.