



## NASHP Worksheet for Payers #1: Determining Top 35 Prescription Drugs by Payer “Spend”

- 1) Exclude drugs licensed under a biologics license, narcotics, and infused or IV drugs as federal law prohibits importation of a controlled substance, biological product, infused or intravenously injected drug, or a drug inhaled during surgery.
- 2) Identify the top 50 drugs by total spend based on paid claims in 2Q FY 2018<sup>1</sup> (quick list to be winnowed down). If that list of 50 includes multiple dosages/strengths of the same drug (such as Humalog or Lantus) count that as ONE drug out of 50. The final list of 50 drugs may actually be much longer because of multiple dosages.
- 3) Calculate the NET unit cost (after rebates and all other discounts) of each of 50 drugs.
- 4) Multiply the net unit cost of each drug by utilization of that drug from 2Q FY 2018 to arrive at net spend for each of the 50 drugs.
- 5) Of that net total spend for 50+ drugs, identify the top 35 drugs by total net spend (which may be a different 35 drugs than the top 35 in the list in #2 above).

Again, if the top 35 includes multiple dosages/strengths, there may be more than 35 because a drug with multiple dosages/strengths will count as one even though each strength appears on the list.

Only columns A – C are submitted to NASHP			Columns D – H are used for internal payer analysis only.				
A	B	C	D	E	F	G	H
Brand name	Generic or chemical name	Dose form and strength	Utilization 2Q CY 2018 (estimated based on average units per prescription)	Total spend from product reimbursement on claims 2Q CY 2018	Net unit cost dosage form and strength (unit cost after all price concessions)	Actual net spend [D x F]	Ranking

- 6) Once this is complete, send the information in columns A, B, and C to NASHP — brand name, generic/chemical name, and dose form/strength. The information in columns D through H is for internal plan purposes only and should not be submitted to NASHP.
- 7) NASHP will create one list with input from all participating payers. NASHP will curate the list to identify the drugs common to all payer submissions.
- 8) NASHP will send that list of common drugs with the Canadian provincial unit price on a table-template for each payer to calculate savings using NASHP’s worksheet.
- 9) Payers will need to discuss which drugs should be on the list of drugs to import for purposes of project planning. The list will change over time and will need to be re-calculated for the submission to the secretary.

<sup>1</sup> The time period was arbitrarily selected to compare uniform information across payers.