

# Office of Statewide Health Planning and Development

## Cost Transparency Data Programs

September 2019

# SB17 (2017): Prescription Drug Costs

- 60-day advance notice to specified purchasers of items with a wholesale acquisition cost (WAC) increase of more than 16% including the current increase and all cumulative increases that occurred within the previous two calendar years (January 1, 2018)
- 3-day notice followed by 30-day report to OSHPD of **new** prescription drugs with initial WAC of \$670 or more (January 1, 2019)
- Quarterly retrospective report to OSHPD of all items with a WAC increase of more than 16% including the current increase and all cumulative increases that occurred within the previous two calendar years (April 1, 2019)

# SB17 (2017): Prescription Drug Costs

- **New Drug: Elements of initial 3-day notice to OSHPD**

- National Drug Code (NDC) Number

1 2 3 4 5 – 1 2 3 4 – 1 2  
Labeler                  Product          Packaging  
Code                      Code                  Code

- Product Launch Date
- WAC Amount

# SB17 (2017): Prescription Drug Costs

- **New Drug: Elements of 30-day Item Summary Report to OSHPD**
  - NDC Number
  - Marketing/Pricing Plan Description
  - Estimated Patient Volume Units
  - Breakthrough Therapy Indicator
  - Priority Review Indicator
  - Acquisition Date – as applicable
  - Acquisition Price – as applicable

# SB17 (2017): Prescription Drug Costs

## New Drug Data

Introduced to Market Date (All)	Manufacturer Name (All)	Drug Product Description (All)	Wholesale Acquisition Cost (WAC)
March 4, 2019	Otsuka America Pharmaceutical, Inc.	ABILIFY MYCITE 2mg (aripiprazole tablets with sensor)	\$1,650.00
		ABILIFY MYCITE 5mg (aripiprazole tablets with sensor)	\$1,650.00
		ABILIFY MYCITE 10mg (aripiprazole tablets with sensor)	\$1,650.00
		ABILIFY MYCITE 15mg (aripiprazole tablets with sensor)	\$1,650.00
		ABILIFY MYCITE 20mg (aripiprazole tablets with sensor)	\$1,650.00
		ABILIFY MYCITE 30mg (aripiprazole tablets with sensor)	\$1,650.00
March 1, 2019	SUN PHARMACEUTICALS	Leuprolide Acetate Injection 1Mg/0.2MI, 2.8MI	\$705.67
	Titan Pharmaceuticals, Inc.	Probuphine Implant	\$4,950.00
	TWi Pharmaceuticals USA, Inc.	Cyclobenzaprine HCl ER Oral Capsule Extended Release 24 Hour 30 MG	\$900.00
		Cyclobenzaprine Hydrochloride ER Capsule 15mg-60's	\$900.00
February 28, 2019	Pfizer	Busulfan Injection 60 mg/10mL (6mg/mL)	\$7,786.00

# SB17 (2017): Prescription Drug Costs

- **WAC Increase: Data reported for items exceeding threshold**
  - WAC Increase Summary
  - 5 Year WAC History
  - Drug Acquisition Information

# SB17 (2017): Prescription Drug Costs

- **WAC Increase Item Summary Report Data Elements**
  - NDC Number
  - Item Description
  - WAC Effective Date
  - WAC Amount
  - Description of Specific Financial & Nonfinancial Factors
  - Patent Expiration Date – as applicable
  - Drug Source Type
  - Change / Improvement Description – as applicable
  - US Sales Volume (Units) - Previous Calendar Year

# SB17 (2017): Prescription Drug Costs

- **WAC Increase: Drug Acquisition Data Elements**

- NDC Number
- Acquisition Date
- Company From Which Acquired
- Acquisition Price
- WAC at Acquisition
- WAC Year Prior to Acquisition
- Year of Market Introduction
- WAC at Market Introduction



# SB17 (2017): Prescription Drug Costs

- Data and Reports available on a quarterly basis
  - Search the CHHS Open Data Portal for “CTR<sub>x</sub>”  
<https://data.chhs.ca.gov/>
  - Or OSHPD for or more information  
<https://oshpd.ca.gov/ctrx>

# AB 1810 (2018): Healthcare Payments Data

- AB 1810 provides a one-time \$60 million GF appropriation to OSHPD
- Major provisions:
  - Convene a Review Committee
  - Prepare a Legislative Report by July 2020
  - Implement a cost transparency database by July 2023
- CHHS Agency previously prepared a technical feasibility report (SB 1159, 2016)

# AB 1810 (2018): Healthcare Payments Data

- Planning process includes data standards and requirements
- **Data Format**
  - APCD-CDL™ format was approved by Review Committee for data collection
    - Claims and Encounters (Medical, Pharmacy, and Dental), Eligibility, Provider
  - HPD Technical Workgroup is currently reviewing the CDL to assess the feasibility of each of the data elements
- **Data Tiers (phasing)**
  - Tier 1 Data includes all the APCD-CDL™ files except dental
    - Claims and Encounters (Medical and Pharmacy), Eligibility, Provider
  - Tier 2 data includes:
    - Alternative Payment Model data (including capitation payments and pharmacy rebates)
    - Dental Claims/Enrollment/Providers

# AB 1810 (2018): Healthcare Payments Data

- Continued...
- **Data Submitters**
  - Commercial health care service plans and health insurers
    - Third party administrators of plans (not otherwise preempted by ERISA)
  - The California Department of Health Care Services, for Medi-Cal claims and encounters
  - The Centers for Medicare & Medicaid Services (CMS) for Medicare Fee-For-Service claims
  - Dental plans and insurers
- **Coordination of Submission**
  - Mandatory data submitters also facilitate data from appropriate sources including pharmacy benefit management companies, behavioral health organizations, subsidiaries, and other services carved out to a subcontracting organization.

# Data Considerations for the Task Force

- Recommended Data Elements (by 11-digit NDC)
  - Separate 11-digit NDC into 3 data elements:
    - 5-digit Labeler Code, 4-digit Product Code, 2-digit Packaging Size Code
  - Separate Product Description into 4 separate data elements:
    - drug name, dosage strength, dosage form, packaging size
  - Total units sold/reimbursed in previous year
  - Total rebate previous year
  - Portion of rebate kept previous year
  - Total amount actually paid to pharmacies in previous year
  - Total amount received/reimbursed by Health Plan

# For More Information

- Visit [www.oshpd.ca.gov](http://www.oshpd.ca.gov)