Drug Price Transparency: Data Definitions and Requirements

RCW <u>43.71C.020</u>

Health carriers-Cost and utilization data reporting.

Beginning October 1, 2019, and on a yearly basis thereafter, a health carrier must submit to the authority the following prescription drug cost and utilization data for the previous calendar year for each health plan it offers in the state:

(1) The twenty-five prescription drugs most frequently prescribed by health care providers participating in the plan's network;

(2) The twenty-five **costliest** prescription drugs expressed as a percentage of **total plan prescription drug spending**, and the **plan's total spending** for each of these prescription drugs;

(3) The twenty-five drugs with the highest **year-over-year increase in wholesale acquisition cost**, excluding drugs made available for the first time that plan year, and **the percentages of the increases for each of these prescription drugs**;

(4) The portion of the premium that is attributable to each of the following categories of covered prescription drugs, after accounting for all **rebates** and **discounts**:

(a) Brand name drugs;

(b) Generic drugs; and

(c) Specialty drugs;

(5) The **year-over-year increase**, calculated on a **per member**, **per month** basis and expressed as a percentage, in the total annual cost of each category of covered drugs listed in subsection (4) of this section, after accounting for all rebates and discounts;

(6) A comparison, calculated on a per member, per month basis, of the year-over-year increase in the cost of covered drugs to the year-over-year increase in the costs of other contributors to **premiums**, after accounting for all rebates and discounts;

(7) The name of each covered specialty drug; and

(8) The names of the twenty-five most frequently prescribed drugs for which the health plan received rebates from pharmaceutical manufacturers.

Health carriers—Cost and utilization data reporting.

Term	Data Field or Definition	Format	Data Type	Definition
Health Carrier	Definition & Data Field			Health care provider," "health plan," "health carrier," and "carrier" mean the same as in RCW 48.43.005.
Health Carrier ID	Data Field		Number	Tax ID or UBI number
Health Plan	Data field		Text	A health plan is a unique group offering from a carrier that has a unique Plan ID which is defined as carrier id, group number, PCN and BIN #.
Plan ID	Data field		Number	Group number, PCN, BIN #
Quarter/Year	Data Field	YYYY/QQ	Numeric	Annual submission that is broken out by quarters e.g. CY 2019 data broken out into Q1, Q2, Q3, and Q4.
Prescription drug	Definition		Text	"Prescription drug" means a drug regulated under chapter 69.41 or 69.50 RCW, including generic, brand name, specialty drugs, and

			biological products that are prescribed for outpatient use and
			distributed in a retail setting. They are provider administered drugs
NDC number	Data field	Number	A three-segment code maintained by the federal Food and Drug Administration that includes a labeler code, a product code, and a package code for a drug product and that has been converted to an 11-digit format consisting of five digits in the first segment, four digits in the second segment, and two digits in the third segment.
Ingredient name	Data field	Text	Top 25 most prescribed ingredient names. Every NDC number that has that ingredient name. Ingredient name is without the strength or dosage form.
Member months	Data field	Number	Total number of member months by plan by quarter
Users	Data field	Number	Unique count of users for the ingredient name by quarter
Days supply	Data field	Number	Total days supply for all paid claims within the quarter
Units			Total Units for all paid claims
Claims	Data field	Number	Number of Paid claims by health plan by quarter
Costliest	Definition		Based on Allowed amount = the contracted price to the pharmacy (not including dispensing fee)
			Also want to look at net rebate = allowed amount – rebate or other discounts
Allowed amount	Data field	Number	Allowed amount is the contracted price to the pharmacy (not including the dispensing fee)
Net rebate	Data field	Number	Net rebate is the allowed amount – rebate or other discounts.
Spending	Definition		These are the data fields we use to define spending: NDC number, total allowed, rebate collected, total paid amount
			For each number within an ingredient name this is how we are defining spending: total allowed, total net rebate, total paid amount and cost share.
Total allowed	Data field	Number	The amount you pay for the claim. The total amount the provider would receive
Total net rebate	Data field	Number	
Rebate collected			
Total Plan paid amount	Data field	Number	
Total member Cost share	Data field	Number	Inclusive of deductible, copay and coinsurance
Wholesale acquisition cost (WAC)	Definition		"Wholesale acquisition cost" or "price" means, with respect to a prescription drug, the manufacturer's list price for the drug to wholesalers or direct purchasers in the United States, excluding any discounts, rebates, or reductions in price, for the most recent month for

			which the information is available, as reported in wholesale price guides or other publications of prescription drug pricing.
			Include: Source of the WAC, Date of WAC, Start WAC, End WAC
			Date of WAC price on first of the quarter
			WAC price at the end of the quarter
Data field		Number	
Data field			
Data field		Number	
Data field			
Definition			Any discount paid back to the PBM or carrier as a result of the drug
Definition			Same as rebate.
Data field			As determined by carrier. Explain how it is determined by drug file data elements Explain how you identify the following: brand name drugs, generic drugs and biological products. Include the Data file and fields used.
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			Include the Data file and fields used.
Data field			
Data field			As defined by the health carrier. List out all drugs by label name, NDC, and ingredient name.
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Year-over-year	Data field	Number	
increase			
Per member per month	Definition		
Premium	Definition		