

Overview of the Impact of Prescription Drug Costs on Health Insurance Premiums Report

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GMCB Requirements



- GMCB shall compile insurer reporting into a consumer-friendly report to demonstrate the impact of drug costs on health insurance premiums.
- Data from the insurers will be aggregated.
- The report is due annually on or before January 1 and is posted to the GMCB website [here](#) .

Insurer Data

- Insurers with more than 1,000 lives in the state for major medical shall report:
 - a) 25 most frequently prescribed and AWP;
 - b) 25 most costly drugs by total plan spending and AWP;
 - c) 25 drugs with highest year-over-year price increases and AWP for each drug.
- A breakdown of the total cost of pharmacy on overall premiums and overall pharmacy trend for all filings under review
- Pharmaceutical supply chain diagram
- Components of commercial insurance premiums
- Act 193 language and copy of Data Request Form

Prescription Drug Impact on Premiums

Carrier	Vermont Lives	PMPM	% Change	% of Premium
MVP	32,608	\$76.52	-2.70	13.80
BCBSVT	56,066	\$105.99	7.00	20.10
TVHP	2,537	\$19.87	3.65	3.80
Total/Weighted Average	91,211	\$92.68	3.43	17.32

- **Member Month:** PMPM amount to an individual consumer pays for prescription drugs as part of monthly premium
- **% Change:** change in PMPM compared to previous year
- **% of Premium:** percentage of monthly premium attributable to prescription drugs

Prescription Drugs with Greatest Impact on Premiums

Table Two: Prescription Drugs with Greatest Impact on Premiums

Product/NDC #	Therapeutic Class	% of Premium
Humira pen / 00074433902	Analgesics/Anti-inflammatory: used to treat arthritis, plaque psoriasis, ankylosing spondylitis, Crohn's disease, and ulcerative colitis	1.477
Humira (CF Pen) / 00074055402	Inflammatory conditions: used to treat arthritis, plaque psoriasis, ankylosing spondylitis, Crohn's disease, and ulcerative colitis	1.212
Enbrel Sureclick / 58406044504	Analgesics/Anti-inflammatory: used to treat arthritis, plaque psoriasis, and ankylosing spondylitis	0.486

Impact of Generic, Brand, and Specialty Drugs on Premiums

Table Three: Drug Category \$ PMPM			
	Generic	Brand	Specialty
BCBSVT	13.61	32.69	59.70
MVP	10.71	21.66	44.14
TVHP	2.26	6.80	10.81

Table Four: Drug Category % of Premium			
	Generic	Brand	Specialty
BCBSVT	2.60	6.20	11.30
MVP	1.93	3.90	7.95
TVHP	0.40	1.30	2.10

Methodology



Analysis Population: Major medical health insurers with more than 1,000 lives in Vermont are subject to the reporting.

Company Name	Filing Name	Vermont Lives	Premium
MVP	Large Group HMO	1,721	\$10,034,087
MVP	Exchange Filing	30,887	\$188,668,999
BlueCross/BlueShield VT	Exchange Filing	43,939	\$302,145,995
BlueCross/BlueShield VT	Large Group	12,127	\$73,506,286
The Vermont Health Plan	Large Group	2,537	\$15,296,339
TOTAL		91,211	\$589,651,706

Price Reporting: Act 193 requires carriers to submit the AWP of the required drug categories.

Health Insurance Coverage in Vermont



This report assesses the commercial, fully-insured population whose rate filings are reviewed by the Board, which constitutes about 15% of Vermont's population.

Table Six: Health Insurance Coverage Profile 2017

Category	# of Vermonters	% of Total Vermont Population
Commercial: Individual, Small and Large Group (Report Population)	92,290	14.7%
Commercial: Self-Insured	214,476	34.2%
Commercial: VT residents covered by insurers outside of VT	15,540	2.5%
Government: Medicaid/Medicare	284,290	45.4%
Uninsured	19,800	3.2%
Total Vermont Population	626,396	100.0%