

EXECUTIVE SUMMARY:

COMMERCIAL PRESCRIPTION DRUG USE & SPENDING, 2015–2017

CHIA's 2019 [Annual Report on the Performance of the Massachusetts Health Care System](#) identified that gross pharmacy spending accounted for 17% of Massachusetts' total medical expenses, or nearly \$10 billion in 2018.¹ To advance transparency into this sector of the health care market for policymakers, researchers, and the public, CHIA has published an interactive dashboard and detailed dataset, allowing users to see drivers of prescription drug spending as well as the associated conditions these drugs treat.

Key Findings

For this analysis, CHIA used a subset of commercial pharmacy claims from the agency's All Payer Claims Database (APCD) to identify high volume and high cost drugs between 2015 and 2017.² During this three-year period:

- Ten therapeutic classes of drugs, which include antivirals, antiasthmatics, cardiovascular, and psychotherapeutic drugs, accounted for over 70% of pharmacy expenditures.³
- Anti-inflammatory TNF inhibiting agents, a class of drugs that includes Humira and Enbrel, accounted for the largest proportion of spending.
- The most frequently prescribed drug during the three-year period was Lisinopril, an ACE inhibitor that treats high blood pressure and heart failure.

For additional information, including the methods and data used to produce this dashboard, see the accompanying [technical appendix](#) and [dataset](#).

For questions, contact Emma Schlitzer, External Affairs Manager, at emma.schlitzer@state.ma.us.

Notes

- 1** Expenditure amounts presented in this publication reflect payments made by pharmacy benefit managers (PBMs) and patients to pharmacies, and do not reflect manufacturer rebates which have an impact on net PBM and health plan spending. These payment amounts do not represent manufacturer list prices or net revenue for manufacturers and other entities along the prescription drug supply chain.
- 2** The dataset includes pharmacy claims for Massachusetts residents from fully-insured commercial lines of business for 11 payers and represents approximately 1.5 million covered lives per year. It does not reflect aggregate statewide pharmacy spending and findings should not be extrapolated for that purpose. See [technical appendix](#) for more detail.
- 3** CHIA utilized First Databank's generic therapeutic classification, which groups drugs into 46 different categories based on their pharmacological, chemical, and/or therapeutic characteristics. The top 10 classes were identified based on their overall expenditure levels for all three years.

For more information, please contact:

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