

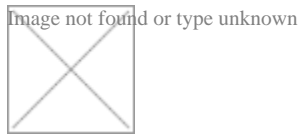


Weekly Checkup

Breakdown of Part D Drugs with Highest Spending

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Last week, the Center for Medicare and Medicaid Services (CMS) released a great deal of data on drugs covered by Part D during 2013. Much has been made about the drugs that tallied the highest total expenditures, which includes amounts paid by the plan, beneficiary, and Medicare. The top 100 drugs with the highest spending accounted for 59 percent of all spending, and as expected, consisted of drugs with claim numbers that were consistently well above average. While generic drugs are generally cheaper than brand names, many generics are on the list of the 100 highest spending drugs because they are among the most claimed. One would expect brand name drugs to drive most of the cost while generic drugs would be used more often because they are less costly. The data released last week did not disappoint as 22 generic drugs accounted for 69 percent of the total claims of the costliest 100 Part D drugs, but only 15 percent of spending. The 22 generics actually accounted for over a quarter of all Part D claims from 2013. Predictably, the 78 brand name drugs had a much lower percentage of claims but account for 85 percent of the total spending.^[1]



[1] <http://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/Medicare-Provider-Charge-Data/Part-D-Prescriber.html>