



State of Utah

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Utah Drug Transparency Report May 2022

The *Utah Drug Transparency Report – May 2022* was prepared by Jeffrey E. Hawley, Ph.D. and Heather Sandberg, B.S. of the Health & Life Insurance Division for the Utah Insurance Commissioner pursuant to Utah Code § 31A-48-103. Publication date: June 22, 2022.

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Overview

As required by Utah Code § 31A-48-103(1), drug manufacturers that are manufacturing a drug available for purchase by Utah residents with a wholesale acquisition cost (WAC) of at least \$100 or more for a 30-day supply are required to submit to the Utah Insurance Department (Department) the information described in § 31A-48-103(1)(b) when an increase in the wholesale acquisition cost of the drug is 1) greater than 16 percent over the preceding two calendar years, or 2) greater than 10 percent over the preceding calendar year.

The information provided to the Department may not be released in a manner that: 1) would allow for the identification of an individual drug, therapeutic class of drugs, or manufacturer, or 2) is likely to compromise the financial, competitive, or proprietary nature of the information (see § 31A-48-103(1)(f)).

The Department received 11 drug product reports during May 2022 that were in compliance with § 31A-48-103(1)(a). This report summarizes the following information received by drug manufacturers:

- 1) The effective date of the increase in the WAC price of the drug product,
- 2) The drug type (brand name drug or generic drug),
- 3) The manufacturer's aggregate company-wide research and development costs for the most recent year for which final audit data is available, and
- 4) A written description, suitable for public release, of the factors that led to the increase in the WAC price of the drug product and the significance of each factor.

The information has been de-identified to protect the identity of the individual drug, the therapeutic class of the drug, and the drug manufacturer as required by § 31A-48-103(1)(f).

List of Manufacturer Drug Product WAC Price Increase Reports by Effective Date

<i>Effective Date</i>	<i>Drug Type</i>	<i>Company-Wide Research & Development Costs</i>
1/3/2022	Brand	\$75,830,000

Factors that led to the increase in the WAC price

The decision to increase the WAC was due increased business costs due to macro-economic factors, including inflationary costs.

<i>Effective Date</i>	<i>Drug Type</i>	<i>Company-Wide Research & Development Costs</i>
4/1/2022	Brand	\$0

Factors that led to the increase in the WAC price

The increase factors revolve around the consumer index increases and to reflect increases of supply chain costs.

<i>Effective Date</i>	<i>Drug Type</i>	<i>Company-Wide Research & Development Costs</i>
4/1/2022	Brand	\$0

Factors that led to the increase in the WAC price

The increase factors revolve around the consumer index increases and to reflect increases of supply chain costs.

<i>Effective Date</i>	<i>Drug Type</i>	<i>Company-Wide Research & Development Costs</i>
4/11/2022	Brand	\$769,485

Factors that led to the increase in the WAC price

Increased overhead, expenses, and distribution costs causing need for price increase.

<i>Effective Date</i>	<i>Drug Type</i>	<i>Company-Wide Research & Development Costs</i>
4/11/2022	Brand	\$769,485

Factors that led to the increase in the WAC price

Increased overhead, expenses, and distribution costs causing need for price increase.

<i>Effective Date</i>	<i>Drug Type</i>	<i>Company-Wide Research & Development Costs</i>
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4/11/2022	Brand	\$769,485

Factors that led to the increase in the WAC price

Increased overhead, expenses, and distribution costs causing need for price increase.

<i>Effective Date</i>	<i>Drug Type</i>	<i>Company-Wide Research & Development Costs</i>
4/25/2022	Brand	\$65,237,000

Factors that led to the increase in the WAC price

Pricing decisions regarding the WAC price of a medication are determined after careful consideration of a number of interdependent factors, including but not limited to, clinical and economic value of therapy, therapeutic category, market dynamics, competitor pricing, commercial and government rebates, patient support, overall research and development costs.

<i>Effective Date</i>	<i>Drug Type</i>	<i>Company-Wide Research & Development Costs</i>
4/25/2022	Brand	\$65,237,000

Factors that led to the increase in the WAC price

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