



Pricing change for five common brand-name drugs

Drug name	2018 average approved amount	2019 average approved amount	Price difference	Average annual fills for a group of 1,000	2018 cost	2019 cost	Average annual price difference
Brand drug 1	\$56.60	\$55.78	\$0.82	54	\$3,056.52	\$3,012.12	\$44.40
Brand drug 2	\$63.17	\$62.43	\$0.75	69	\$4,359.02	\$4,307.56	\$51.45
Brand drug 3	\$294.91	\$291.99	\$2.92	34	\$10,026.87	\$9,927.66	\$99.21
Brand drug 4	\$573.85	\$575.03	-\$1.18	17	\$9,755.48	\$9,775.56	-\$20.08
Brand drug 5	\$338.82	\$337.66	\$1.16	24	\$8,131.79	\$8,103.91	\$27.88
Total	\$1,327.36	\$1,322.89	\$4.47	1,318	\$35,329.67	\$35,126.81	\$202.86
Percent savings							0.57%

Charts are illustrative examples only. Actual savings will vary based on year-to-year changes in member demographics, benefit design and drug list, drug use and mix, pharmacy choice, and usual and customary charges. Average wholesale price inflation of 8 to 10 percent annually is not included in the analysis.

Better drug rebates

We introduced renegotiated drug rebates in 2017 that continue to improve each year. Our rebates increased 233 percent from 2016 to 2018 for our customers overall, averaging more than \$40 per contract per month in 2018. We expect that to grow to 542 percent, or \$80 per contract per month, over the next three years. These improvements save money for self-funded customers and keep premiums lower for fully insured groups.

While we've optimized our drug rebates, Blue Cross and BCN are still committed to helping customers get the lowest net costs for their prescription drug benefits. That means we emphasize use of generic drugs and lower-cost, brand-name alternatives that save more than drugs that offer larger rebates, but higher costs in the end.

For more information, contact your Blue Cross sales representative.

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