



# Prescription Drugs in MN: What We Know and Don't Know

Jan K. Malcolm, Commissioner  
Stefan Gildemeister, Director Health Economics Program

- Policy initiatives in other states
- What we know in Minnesota
- What we don't know (and probably should)

# 2019 State Legislatures Aim to Curb Drug Spending

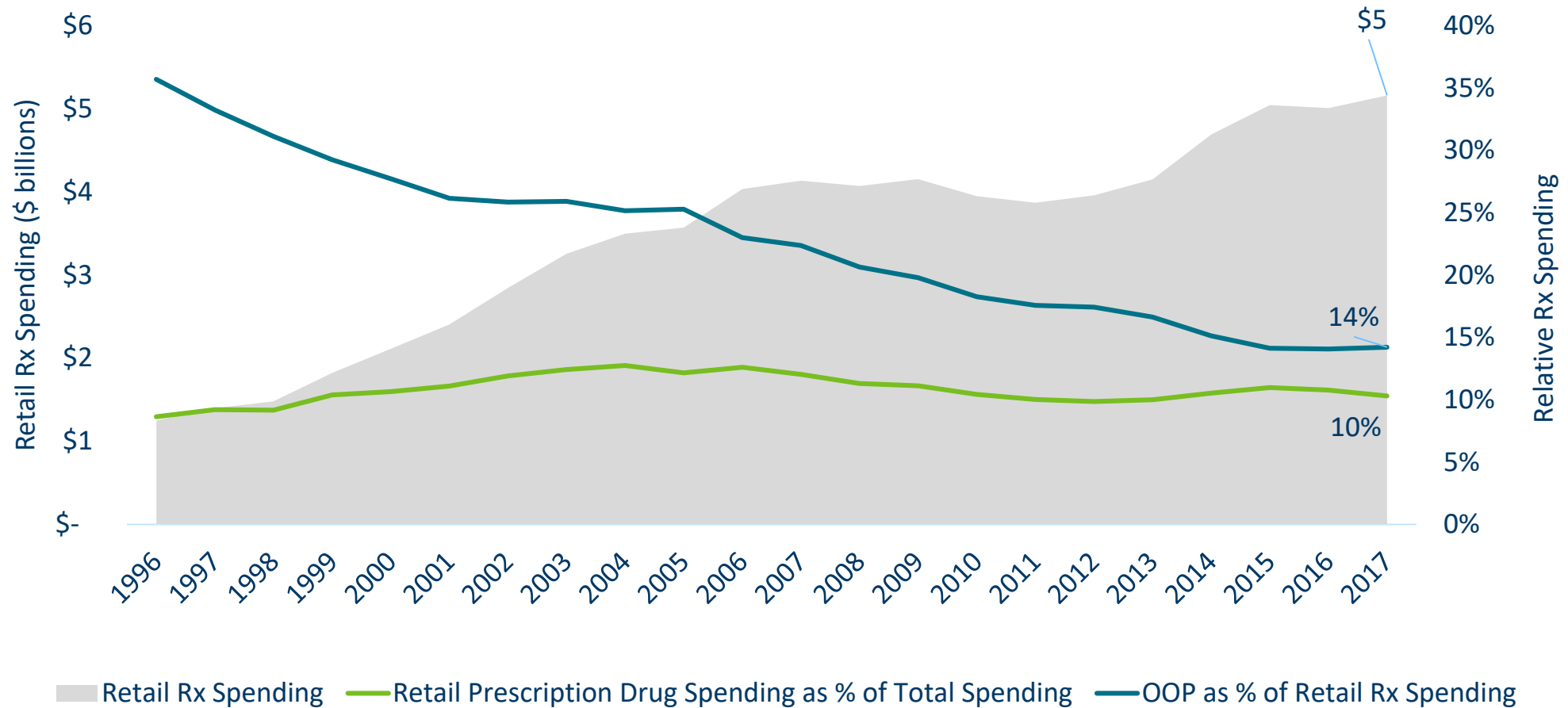
## In 2019, 29 states passed 46 new laws to curb Prescription Drug Spending

Pharmacy Benefit Manager	22
Wholesale importation	4
Study language	4
Drug price transparency	5
Volume purchasing	2
Drug affordability review (rate setting)	2
Coupons	3
Other	4

## Fill gaps in information/address opaqueness:

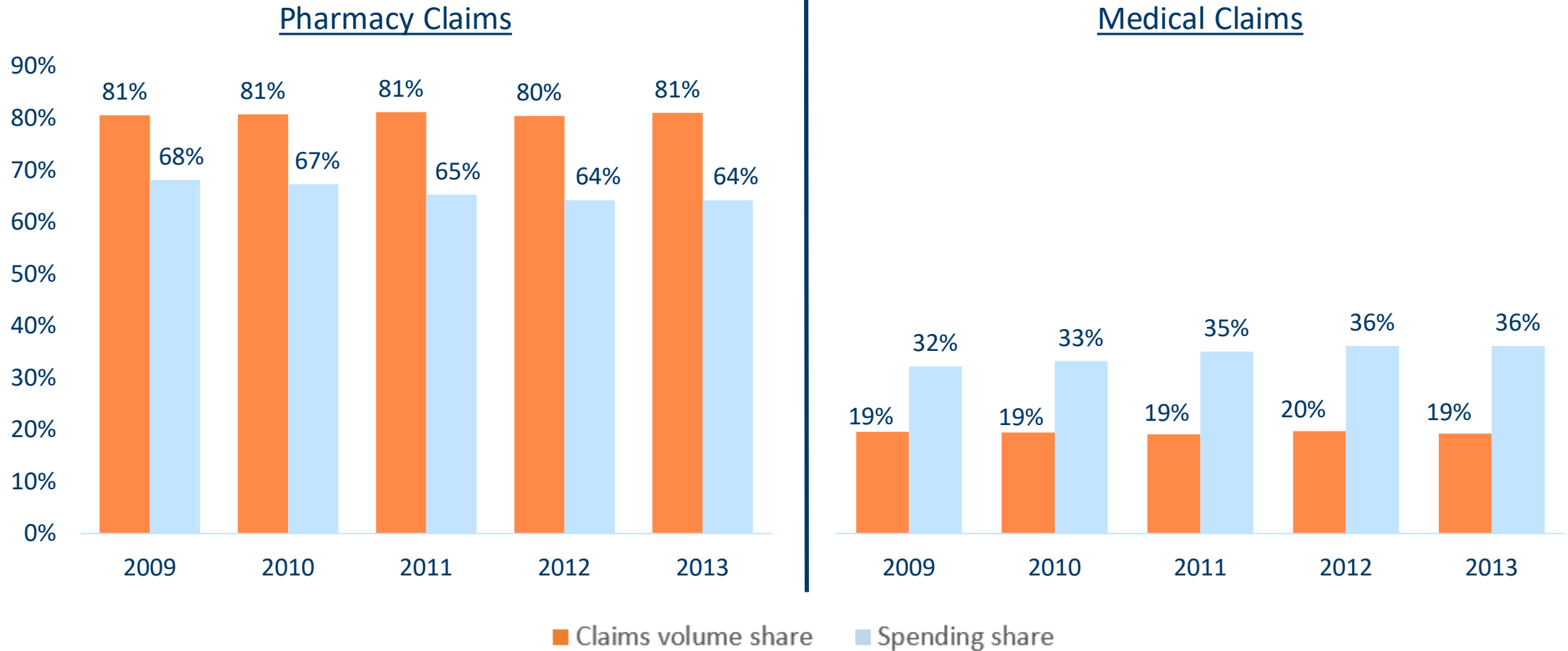
- Strengthen transparency
- Understand reimbursement practices, price setting, role of rebates, high out-of-pocket costs, access, use of industry revenue, etc.)
- Explore a range of policy options (UPL, common formularies, setting expenditure goals)

# Trends in Retail Prescription Drug Spending in MN

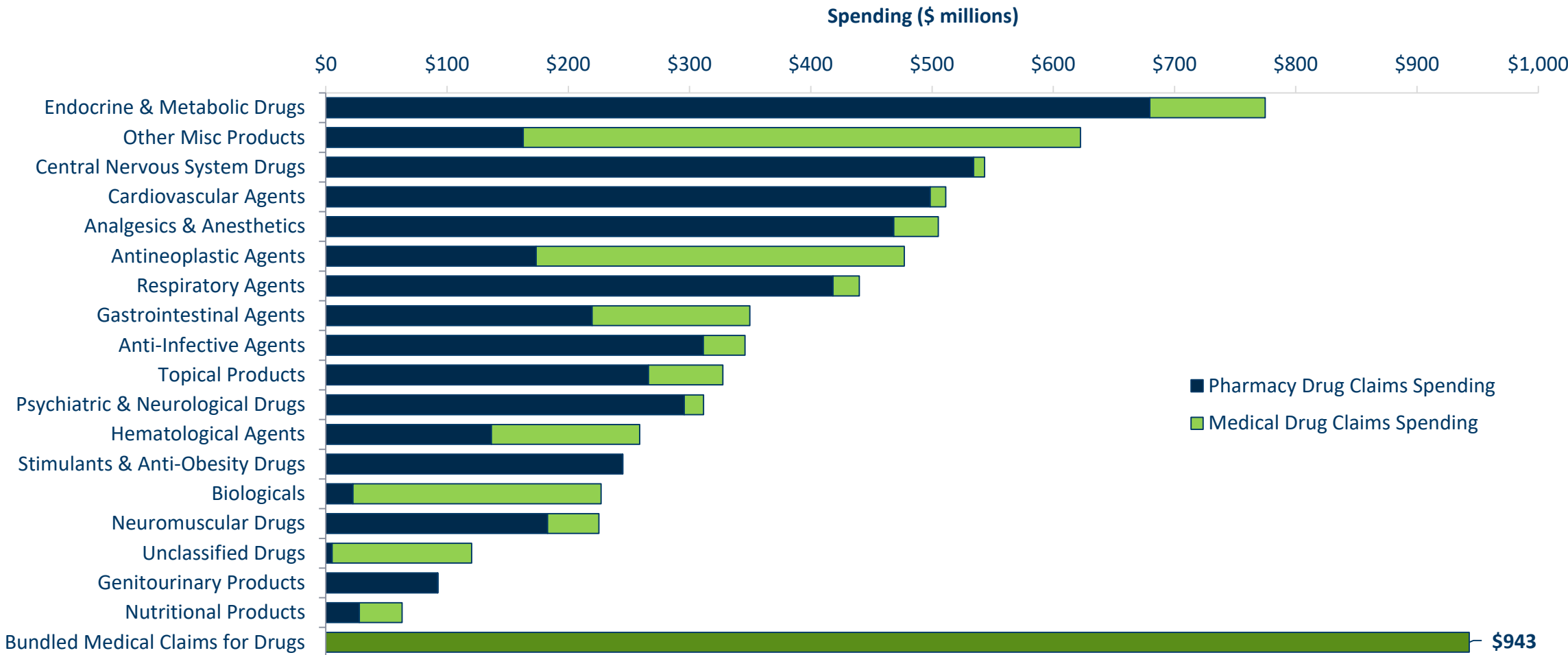


Source: HEP analysis of Minnesota 2015-2016 Spending Report data.

# Rx Volume and Spending in Pharmacy & Medical Benefits

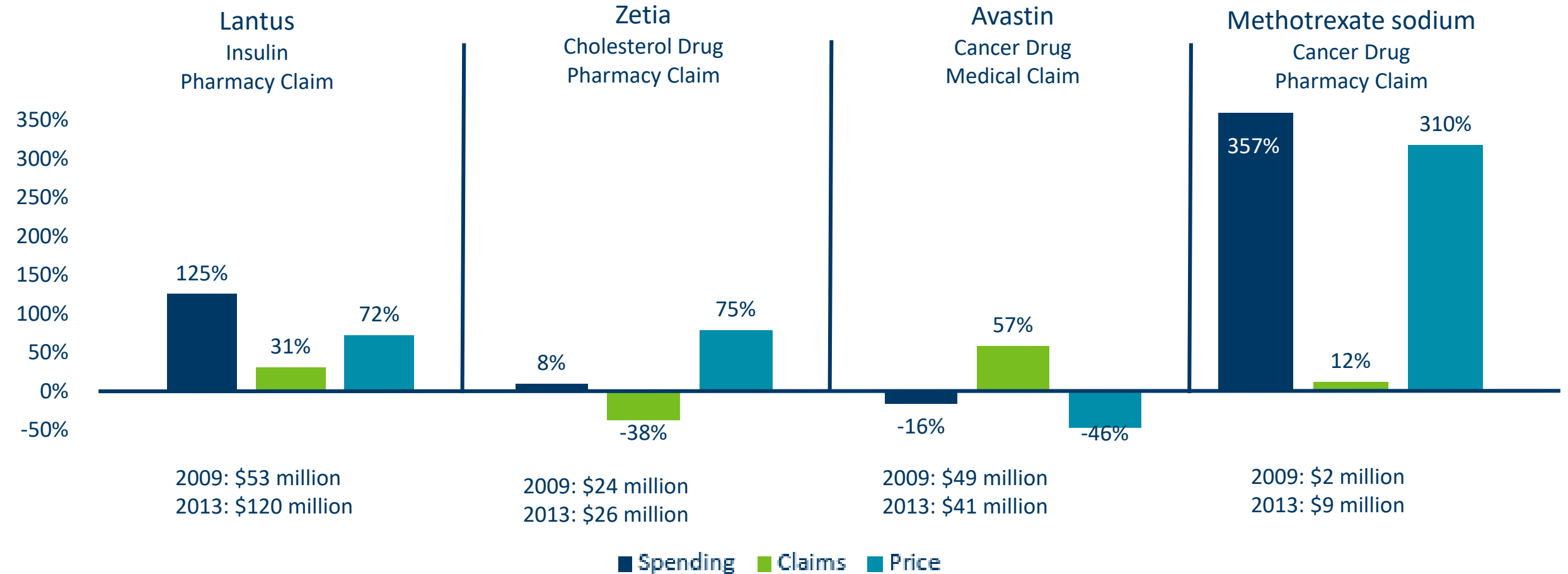


# Spending by Therapeutic Categories, 2013



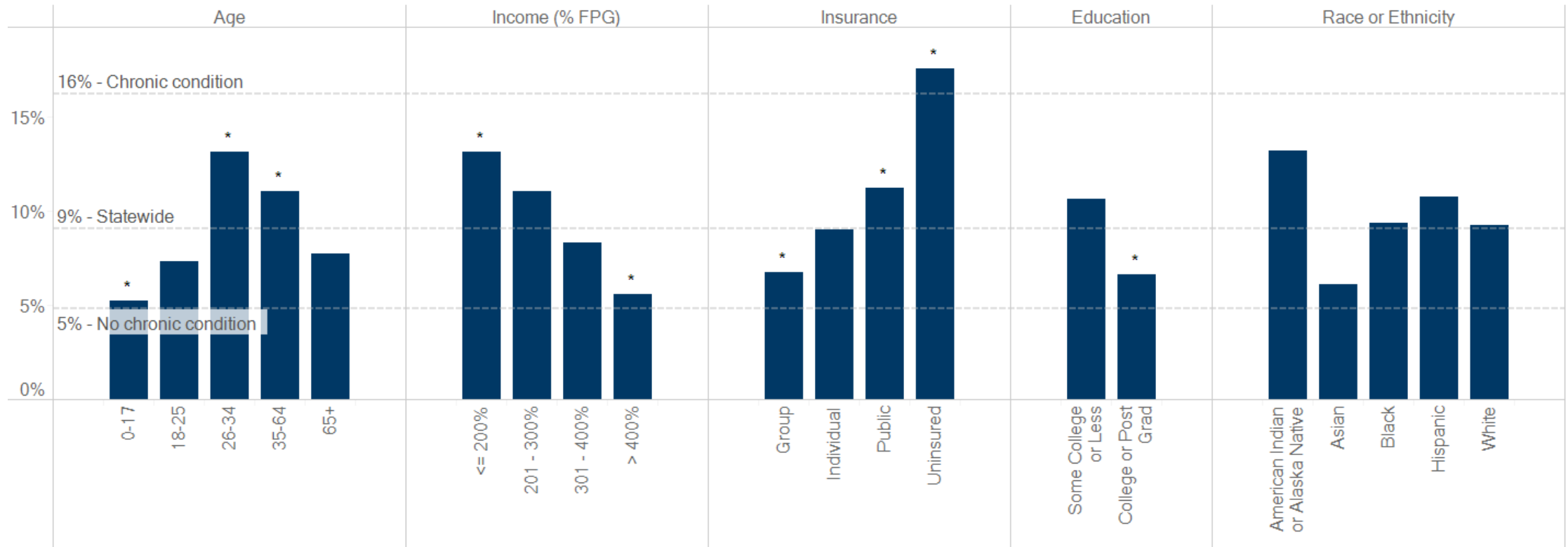
Source: MDH/HEP and PRIME Institute/Data IQ analysis of Minnesota All Payer Claims Database, forthcoming; MDH/Health Economics Program, *Pharmaceutical Spending and Use in Minnesota by Therapeutic Category: 2009 to 2013*.

# Drug Spending Growth is Driven By a Range of Factors



Source: MDH/HEP and PRIME Institute/Data IQ analysis of Minnesota All Payer Claims Database, forthcoming; MDH/Health Economics Program, *Pharmaceutical Spending and Use in Minnesota by Therapeutic Category: 2009 to 2013*.

# Percent of Minnesotans Who in 2017 Did Not Fill a Prescription Due to Cost



These are the rates of Minnesotans who reported they did not fill a prescription, broken down by demographic categories. The lines indicate the rate of Minnesotans who did not fill a prescription statewide (9%) and by whether they had a chronic condition (16%) or not (5%).

The statewide rate equals about 500,000 Minnesotans who have reported not filling a prescription. About 330,000 of these have a chronic condition and about 170,000 did not report a chronic condition.

\*Indicates a statistically significant difference from the overall statewide rate (9%) at the 95% level.

Source: MDH/Health Economics Program analysis of the Minnesota Health Access Survey, 2017.



## Ongoing gaps in evidence

- Affordability of Rx use & benefit design for specific therapies
- Patterns of Rx therapy use and access across age & geography
- Role of rebates & discounts
- Economic & clinical value of Rx
- Role of actors in pricing across the supply chain & market forces
- Impact of Rx prices on outcomes & health
- Etcetera.

## Other work underway

- Opioid prescribing patterns & new chronic use
- High-cost/ high volume drugs
- Adverse drug events
- Pediatric use (and variation in use) of certain Rx therapies
- Public use files

# Thank You!

Health Economics Program: [www.health.state.mn.us/health/economics](http://www.health.state.mn.us/health/economics)

MN All Payer Claims Data: [www.health.state.mn.us/data/apcd/publications.html](http://www.health.state.mn.us/data/apcd/publications.html)

Health Care Market Statistics: [www.health.state.mn.us/data/economics/chartbook/](http://www.health.state.mn.us/data/economics/chartbook/)

Contact: [Stefan.Gildemeister@state.mn.us](mailto:Stefan.Gildemeister@state.mn.us) 651.201.3550