

Executive Summary:

Commercial Prescription Drug Use & Spending, 2018-2022

CHIA's 2024 [Annual Report on the Performance of the Massachusetts Health Care System](#) identified that gross pharmacy spending accounted for 20.5% of Massachusetts' total medical expenses, or \$13.6 billion in 2022. Gross pharmacy spending, which does not account for rebates or other discounts, became the largest service category in 2022 and has consistently represented a major driver of total health care cost growth. To advance transparency in this sector of the health care market for policymakers, researchers, and the public, CHIA has published an [interactive dashboard](#) and detailed [dataset](#), providing users with insight into drivers of prescription drug spending as well as the associated conditions these drugs treat.¹

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 2018 and 2022.² During this five-year period:

- Overall prescription drug utilization declined as the average cost per prescription increased.
- Ten therapeutic classes of drugs, which include Immunosuppressants, Hormones & Synthetic Substances, and Cardiovascular Agents, accounted for over 90% of pharmacy expenditures each year.³
- Immunosuppressants, a class of drugs that inhibit immune system activity and are used to treat autoimmune diseases, accounted for the largest portion spending. The top three drugs by expenditures during the five-year period were Humira, Stelara, and Enbrel, all Immunosuppressants.
- The most frequently prescribed drugs (i.e., highest-volume) during the five-year period were Atorvastatin Calcium and Lisinopril, both Cardiovascular Agents. Atorvastatin Calcium is used to treat high cholesterol and triglyceride levels to reduce the risk of heart and blood vessel problems; Lisinopril is used to treat 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 McNamara, Deputy Chief of Staff, at Emma.Schlitzer@chiamass.gov.

Notes

1. Expenditure amounts presented in this publication reflect payments made by pharmacy benefit managers (PBMs), health plans, and patients to pharmacies, and do not reflect manufacturer rebates, which impact net health plan spending. These payments 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 10 payers and represents approximately 1.4 million covered lives per year. It does not reflect aggregate statewide pharmacy spending and findings should not be extrapolated for that purpose. High-cost drugs were identified as the drugs with the greatest average cost per prescription, by therapeutic class, for each calendar year, 2018 through 2022. See [technical appendix](#) for more detail.
3. CHIA utilized Red Book's generic therapeutic classification, which groups drugs into 32 different categories based on their pharmacological, chemical, and/or therapeutic characteristics. The top 10 classes for each calendar year were identified based on their total expenditure levels for each year, 2018 through 2022.

For more information, please contact:

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