

# Progression of Medicaid Costs and Usage of Selected Hepatitis C Medications: Sovaldi, Harvoni, and Viekira Pak

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**The Menges Group**

# Description of the Three Drugs Assessed

- Sovaldi (sofosbuvir): an oral antiviral medication to treat chronic hepatitis infection manufactured by Gilead Sciences.
- Harvoni (sofosbuvir/ledipasvir): an oral antiviral medication also manufactured by Gilead Sciences.
- Viekira Pak (ombitasvir/paritaprevir/ritonavir/dasabuvir): an oral antiviral medication manufactured by AbbVie.

# National Medicaid Prescription and Unit Volume by Quarter

Hepatitis C Drug	Prescription Volume by Calendar Quarter						
	2013 Q4	2014 Q1	2014 Q2	2014 Q3	2014 Q4	2015 Q1	2015 Q2
Sovaldi	142	7,824	18,362	14,419	8,178	4,843	4,789
Harvoni	0	0	0	0	3,000	10,688	17,024
Viekira Pak	0	0	0	0	0	275	1,405
<b>Total</b>	<b>142</b>	<b>7,824</b>	<b>18,362</b>	<b>14,419</b>	<b>11,178</b>	<b>15,805</b>	<b>23,218</b>

Hepatitis C Drug	Unit Volume by Calendar Quarter						
	2013 Q4	2014 Q1	2014 Q2	2014 Q3	2014 Q4	2015 Q1	2015 Q2
Sovaldi	3,978	218,884	512,470	402,579	224,527	133,973	132,802
Harvoni	0	0	0	0	82,711	301,121	471,324
Viekira Pak	0	0	0	0	0	7,686	37,037
<b>Total</b>	<b>3,978</b>	<b>218,884</b>	<b>512,470</b>	<b>402,579</b>	<b>307,238</b>	<b>442,780</b>	<b>641,163</b>

While Medicaid prescription volume across these medications decreased during the third and fourth quarters of 2014, it has risen sharply during 2015. The second quarter of 2015 had the largest volume of any quarter to date – 47% above the first quarter of 2015 and more than twice the usage that occurred during Q4 of 2014.

# Medicaid Spending Progression On Recently Introduced Hepatitis C Medications

Hepatitis C Drug	Estimated Medicaid Post-Rebate Costs by Calendar Quarter, in \$ Millions (23% rebate assumed in CY2013 and CY2014, 65% rebate assumed in CY2015)						
	2013 Q4	2014 Q1	2014 Q2	2014 Q3	2014 Q4	2015 Q1	2015 Q2
Sovaldi	\$3.1	\$170.0	\$397.6	\$311.4	\$174.7	\$47.1	\$46.0
Harvoni					\$72.7	\$118.9	\$183.4
Viekira Pak						\$2.7	\$12.9
<b>Total</b>	<b>\$3.1</b>	<b>\$170.0</b>	<b>\$397.6</b>	<b>\$311.4</b>	<b>\$247.4</b>	<b>\$168.7</b>	<b>\$242.3</b>

Medicaid rebates are projected to average 23% in CY2013 and CY2014, and 65% during CY2015, based on the information in the following Drug Channels report: <http://www.drugchannels.net/2015/02/what-gileads-big-hepatitis-c-discounts.html>

# State Prescription and Unit Volume Across Harvoni, Sovaldi and Viekira Pak, Calendar Year 2014

State	Combined Prescriptions, CY 2014	Combined Units, CY 2014	Combined Post-Rebate Spending, CY 2014
NY	16,410	455,773	\$295,309,997
CT	3,909	108,664	\$61,350,278
MA	3,650	100,814	\$62,698,257
CA	3,323	93,301	\$64,379,245
PA	3,044	85,109	\$61,377,685
FL	2,474	68,749	\$47,633,082
NJ	2,075	58,046	\$33,475,410
MD	1,996	55,305	\$27,265,846
GA	1,988	55,328	\$30,519,782
IN	1,827	50,727	\$33,947,899
KY	1,806	50,118	\$35,358,425
MN	1,789	49,756	\$32,931,204
TN	1,543	43,176	\$30,714,649
NC	1,390	38,765	\$26,887,101
OH	1,365	42,515	\$29,545,007
WA	1,316	36,731	\$24,107,837
IL	1,273	34,167	\$23,650,923

State	Combined Prescriptions, CY 2014	Combined Units, CY 2014	Combined Post-Rebate Spending, CY 2014
MO	1,230	34,384	\$25,554,216
NV	928	25,690	\$15,867,726
OK	821	22,988	\$16,388,932
AZ	811	22,642	\$17,007,373
HI	703	19,738	\$13,571,358
LA	597	16,651	\$8,662,421
MI	569	15,925	\$12,083,706
AL	535	14,980	\$9,030,659
VA	520	14,525	\$9,821,580
OR	512	14,364	\$8,860,448
KS	481	13,441	\$8,697,198
NM	428	11,746	\$7,408,898
MS	370	10,311	\$6,821,877
ME	360	10,061	\$5,411,886
CO	256	7,098	\$5,072,509
DC	252	7,056	\$4,875,488
SC	208	5,821	\$3,435,486

State	Combined Prescriptions, CY 2014	Combined Units, CY 2014	Combined Post-Rebate Spending, CY 2014
UT	178	4,984	\$3,122,762
MT	169	4,704	\$3,112,683
TX	159	4,452	\$882,179
ND	132	3,696	\$2,235,858
VT	130	3,642	\$2,602,899
WI	128	3,556	\$1,552,324
AR	115	3,220	\$2,425,451
WV	113	3,136	\$1,573,543
DE	100	2,800	\$1,175,020
NE	90	2,520	\$1,885,794
NH	85	2,380	\$1,147,268
ID	83	2,296	\$1,298,205
IA	82	2,296	\$1,097,780
SD	71	1,988	\$1,469,458
WY	55	1,540	\$883,891
AK	19	532	\$191,374
RI	3	84	\$64,688
<b>USA Total</b>	<b>62,471</b>	<b>1,742,291</b>	<b>\$1,126,445,565</b>

# State Prescription and Unit Volume Across Harvoni, Sovaldi and Viekira Pak, Fiscal Year 2014

State	Combined Prescriptions, FY 2014	Combined Units, FY 2014	Combined Post-Rebate Spending, FY 2014	State	Combined Prescriptions, FY 2014	Combined Units, FY 2014	Combined Post-Rebate Spending, FY 2014	State	Combined Prescriptions, FY 2014	Combined Units, FY 2014	Combined Post-Rebate Spending, FY 2014
NY	11,682	325,805	\$230,445,100	WA	651	18,088	\$13,372,659	MT	116	3,248	\$2,315,517
CA	2,820	78,965	\$58,967,938	OK	632	17,696	\$13,838,917	UT	112	3,136	\$2,244,815
PA	2,473	69,191	\$52,864,595	NV	601	16,772	\$10,445,550	VT	101	2,828	\$2,095,279
CT	2,349	65,720	\$41,838,042	AZ	581	16,272	\$12,568,670	ND	86	2,408	\$1,510,699
MA	2,334	65,324	\$46,304,439	HI	537	15,036	\$11,680,140	NE	65	1,820	\$1,494,325
FL	1,852	51,739	\$39,485,551	MI	483	13,538	\$10,541,895	SD	61	1,708	\$1,303,454
NJ	1,386	38,761	\$29,219,695	VA	405	11,305	\$8,527,338	WI	58	1,596	\$1,228,650
IN	1,348	37,418	\$26,259,702	LA	379	10,561	\$8,088,812	ID	49	1,372	\$1,002,036
TN	1,344	37,632	\$28,348,760	KS	342	9,549	\$6,778,971	AR	42	1,176	\$934,577
MN	1,310	36,666	\$26,013,168	AL	339	9,492	\$7,124,875	DE	41	1,148	\$815,519
KY	1,255	35,084	\$24,771,555	OR	291	8,162	\$5,593,525	TX	40	1,120	\$882,179
GA	1,181	33,026	\$21,475,662	NM	245	6,741	\$4,809,730	NH	36	1,008	\$741,752
MD	1,097	30,616	\$19,392,224	MS	229	6,412	\$4,871,670	WY	34	952	\$733,568
MO	1,088	30,408	\$23,714,143	ME	224	6,253	\$4,680,554	WV	33	924	\$688,354
OH	967	26,975	\$20,134,284	CO	219	6,076	\$4,610,973	IA	29	812	\$539,862
NC	964	26,921	\$20,802,055	DC	195	5,460	\$4,214,448	AK	3	84	\$41,958
IL	902	23,765	\$19,021,507	SC	135	3,768	\$2,691,554	RI	3	84	\$64,688
								<b>USA Total</b>	<b>43,747</b>	<b>1,220,621</b>	<b>\$882,135,934</b>

# State Prescription and Unit Volume Across Harvoni, Sovaldi and Viekira Pak, Calendar Year 2015, Q1 & Q2

State	Combined Prescriptions, CY 2015 Q1 & Q2	Combined Units, CY 2015 Q1 & Q2	Combined Post-Rebate Spending, CY 2015 Q1 & Q2
NY	10,367	286,575	\$106,792,810
CT	3,115	86,282	\$33,367,048
CA	2,438	68,529	\$25,196,666
MA	2,325	63,994	\$24,790,843
MD	1,832	50,567	\$19,951,605
GA	1,460	40,572	\$15,946,922
NJ	1,260	35,280	\$13,199,368
FL	1,193	32,594	\$12,399,113
PA	1,145	32,024	\$12,286,735
MN	975	26,936	\$10,189,343
NC	966	26,891	\$10,015,844
OH	950	31,400	\$11,872,011
KY	929	25,226	\$9,704,130
IN	748	20,674	\$7,948,209
WA	683	19,131	\$7,189,691
NV	654	17,661	\$6,557,181
IL	607	16,301	\$6,094,985

State	Combined Prescriptions, CY 2015 Q1 & Q2	Combined Units, CY 2015 Q1 & Q2	Combined Post-Rebate Spending, CY 2015 Q1 & Q2
AZ	583	16,339	\$6,074,856
OR	512	14,333	\$5,215,045
NM	502	11,550	\$4,543,577
LA	425	11,424	\$9,431,897
TN	414	11,648	\$4,209,874
OK	410	11,455	\$4,559,901
ME	357	9,982	\$3,859,519
MO	345	9,660	\$3,646,397
MS	341	9,548	\$3,866,175
AL	310	8,680	\$3,323,585
TX	300	8,372	\$3,002,591
VA	277	7,742	\$3,011,673
HI	254	7,050	\$2,726,162
WI	230	6,412	\$2,432,764
AR	182	5,096	\$1,863,218
KS	182	5,096	\$2,036,060
CO	178	4,816	\$1,767,278

State	Combined Prescriptions, CY 2015 Q1 & Q2	Combined Units, CY 2015 Q1 & Q2	Combined Post-Rebate Spending, CY 2015 Q1 & Q2
SC	162	4,531	\$1,768,222
WV	161	4,466	\$1,750,539
DE	150	4,200	\$1,660,872
IA	147	4,116	\$1,473,301
DC	142	3,976	\$1,571,068
UT	133	3,710	\$1,385,815
ND	116	3,248	\$1,225,955
NH	116	3,248	\$1,237,140
MI	95	2,657	\$987,949
ID	83	2,327	\$868,873
MT	82	2,296	\$871,470
AK	61	1,708	\$618,054
VT	44	1,240	\$469,870
WY	39	1,092	\$432,902
NE	26	728	\$290,456
SD	13	364	\$141,962
RI	7	196	\$76,081
<b>USA Total</b>	<b>39,023</b>	<b>1,083,943</b>	<b>\$415,903,603</b>

# Observations About State Prescription Volume

- The top five states – NY, CT, CA, MA and MD – had larger Medicaid Hepatitis C prescription volume than all other states combined during the first six months of 2015.
  - These states accounted for 52% of Hepatitis C volume but only 27% of overall Medicaid prescription volume.
- Within the top twenty states in terms of Hepatitis C Medicaid prescription volume:
  - 13 are also among the states with the largest overall volume of Medicaid prescriptions.
  - 16 have adopted Medicaid expansion.
  - Connecticut has the second highest Hepatitis C prescription volume but is the 24th largest state in overall Medicaid prescriptions.
  - Georgia has the largest Hepatitis C prescription volume among non-expansion states.
- Michigan is the largest Medicaid expansion state not among the top 20 states in terms of Hepatitis C prescription volume. Texas is the largest state (in terms of overall Medicaid prescription volume) not in the top 20 for Hepatitis C medications.

# Methodology and Contact Information

**DATA SOURCES:** The Menges Group’s tabulations in this report drew upon the State Data Utilization data made available by CMS. The data files contain Medicaid prescription volume and related pre-rebate Medicaid payments by NDC code, state, and calendar quarter, and include prescriptions paid by Medicaid agencies (and their fiscal agents) as well by Medicaid MCOs (and their contracted PBMs). Prescriptions for which Medicaid is not the primary payer (e.g., Medicaid/Medicare dual eligibles, where Medicare Part D is the primary payer) are not captured in these data files. In some states with missing quarters of data (or figures that we did not view to possibly be accurate), we estimated what we believed to be reasonable values. These state and quarter-specific adjustments were minor on a national level.

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