

Drug Importation in Colorado

International Pricing Report

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Contents

I. Executive Summary	3
II. Introduction.....	4
III. Methodology	7
IV. Savings from International Importation.....	7
V. Savings from the Importation of Biologic Drugs	11
VI. Accessing these Savings	12
VII. Looking Medicaid as a Guide.....	13
VIII. Conclusion.....	14
Appendices.....	15



I. Executive Summary

Prescription drug costs are the fastest-growing consumer health care expense in the U.S., a trend that is unlikely to change in the coming years without disruption to the industry.^{1 2} Just in 2020, more than 200 drug manufacturers have raised prices on 645 brand-name drugs with an average price increase of 5.9 percent through August 2020 and the highest increase reached 230 percent.³

The cost burden of prescriptions is not just taking a toll on the financial wellbeing of Colorado families, employers, and the government, it also has the tragic effect of people foregoing their medications because they can't afford them. In the most recent Colorado Health Access Survey (CHAS), one in five Coloradans reported foregoing their prescription drugs due to cost.⁴ Because of these facts, saving people money on healthcare is one of Governor Polis' top priorities, and prescription drug importation is a promising initiative the state is pursuing to bring down costs for Coloradans and their employers.

Importing drugs from other countries holds promise because the U.S. pays far higher prices on prescription drugs than other comparable countries. According to one study, U.S. drug prices were nearly four times higher when compared with similar countries.⁵

¹ Center for Sustainable Health Spending. (2017). *Health Sector Economic Indicators: Insights from Monthly National Price Indices Through June 2017*. Altarum Institute. https://altarum.org/sites/default/files/uploaded-related-files/CSHS-Price-Brief_Aug_2017.pdf

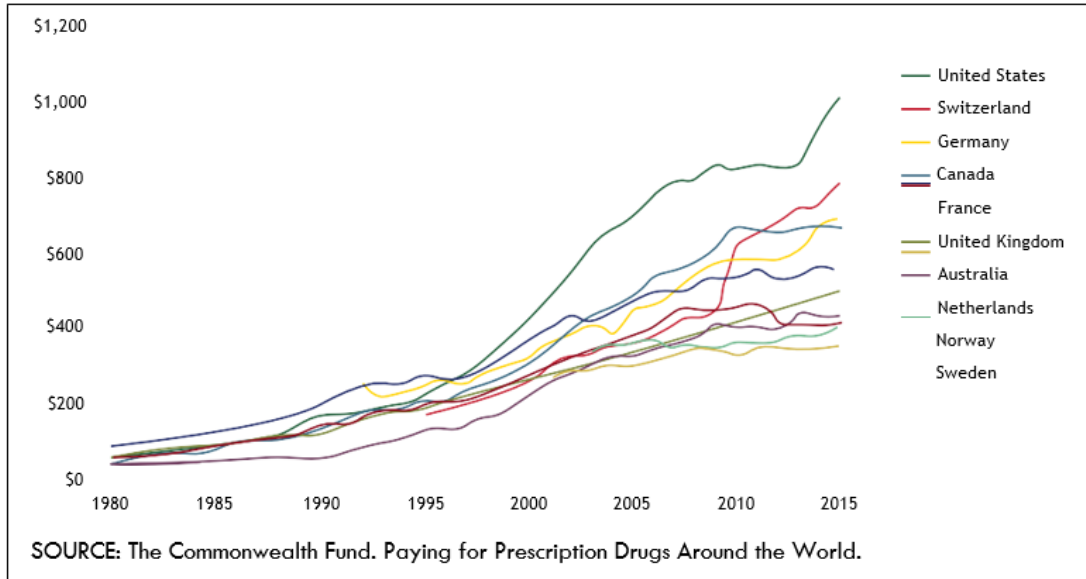
² Hanna, C., & Uccello, C. E. (2018). *Prescription Drug Spending in the U.S. HealthCare System*. American Academy of Actuaries. <https://www.actuary.org/content/prescription-drug-spending-us-health-care-system>

³ Tedford, E. (2020, September 4). Drug manufacturers raise prices for 645 brands in 2020 so far. *DMD America Inc.* <https://www.einpresswire.com/article/525209354/drug-manufacturers-raise-prices-for-645-brands-in-2020-so-far>

⁴ *2019 Colorado health access survey: Health insurance coverage*. (2020). Colorado Health Institute. <https://www.coloradohealthinstitute.org/research/2019-colorado-health-access-survey-health-insurance-coverage>

⁵ Ways and Means Committee Staff. (2019). *A Painful Pill to Swallow: U.S. vs. International Prescription Drug Prices*. Committee on Ways and Means. https://waysandmeans.house.gov/sites/democrats.waysandmeans.house.gov/files/documents/U.S.%20vs.%20International%20Prescription%20Drug%20Prices_0.pdf





Drug importation can bring Colorado prices for many drugs more in line with global prices to the benefit of Coloradans and employers.

The Department of Health Care Policy and Financing has produced this report to illustrate the savings available through importation and to outline the current and pending steps to make that vision a reality. Highlights of the report are provided below.

- Prescription drug prices in the United States are nearly four times higher than they are in other comparable countries.⁶
- Lowering health care costs, and particularly prescription drug costs, in Colorado is a priority of Governor Jared Polis.
- One strong lever to address high drug prices in the state is the implementation of a Canadian importation program.
- The State’s Canadian importation program, when fully implemented, could result in an average of 61 percent savings on 167 drugs initially analyzed for importation.⁷
- If changes were made to federal statutes to expand state-led importation programs to allow for importation from countries in addition to Canada, Colorado could access even lower drug prices—and an increase in access to drug supplies—to the benefit of consumers, employers, and tax subsidized plans like municipalities and the state’s employee benefit plan.
- The Department of Health Care Policy and Financing (the Department) conducted a study of cost savings on 50 drugs from expanding importation to other countries and

⁶ Ways and Means Committee Staff. (2019). *A Painful Pill to Swallow: U.S. vs. International Prescription Drug Prices*. Committee on Ways and Means.
https://waysandmeans.house.gov/sites/democrats.waysandmeans.house.gov/files/documents/U.S.%20vs.%20International%20Prescription%20Drug%20Prices_0.pdf

⁷ Department of Health Care Policy and Financing staff, (2020). *Colorado Drug Importation Program--Draft Application*. Colorado Department of Health Care Policy and Financing.
<https://www.colorado.gov/pacific/sites/default/files/Colorado%20Draft%20SIP%20-%20Version%203-9-2020.pdf>



compared pricing in Canada, France and Australia to Colorado's commercially insured expenditures. If importing from Canada, Colorado's consumers, employers, and non-Medicaid payers could expect to save an average of 63 percent on the 50 drugs analyzed. Importing from France and Australia could deliver even higher savings at an average of 84 percent and 78 percent, respectively.

- Additionally, the Department analyzed 14 popular biologic drugs. If federal statutes were amended to allow for the importation of biologic drugs, the state could import high cost drugs like Humira and branded insulins, with an average of 71 percent savings when imported from Canada, 77 percent from France, and 78 percent from Australia.
- Accessing these increased savings requires federal and state statute changes. The Colorado General Assembly showed interest in passing SB20-119 in the truncated 2020 legislative session. This bill would have allowed the Department to import drugs from countries other than Canada, should the federal government amend existing statute to allow.

II. Introduction

Drug importation from Canada has been legal in the U.S. since 2003, when Congress amended the federal Food Drug and Cosmetic Act⁸ to allow for drug importation programs. However, it was not until recent years that importation gained significant political traction at the national and state levels as a solution to address widespread public concern with drug pricing.

In the 2019 legislative session, the Colorado General Assembly passed SB 19-005,⁹ which was subsequently signed into law by Governor Polis. This law tasked the Department of Health Care Policy and Financing with implementing a Canadian drug importation program. Subsequently, the Trump administration initiated the rulemaking process and released a final rule¹⁰ in September and was effective November 30, 2020. Using this regulatory framework, Colorado intends to submit a formal application to the Food and Drug Administration (FDA) to begin importing drugs from Canada.

The Department estimates that the state will have an operational importation program by 2022 or 2023. This timeline allows for: (a) a state procurement process to identify and contract with vendors to manage administrative and supply chain aspects of the program, (b) development of the application to the Food and Drug Administration (FDA) to approve the program, and (c) federal review and approval of the program.

⁸ Federal Food Drug and Cosmetic Act: Importation of prescription drugs, 21 USC 384. Retrieved November 4, 2020, from [https://uscode.house.gov/view.xhtml?req=\(title:21%20section:384%20edition:prelim](https://uscode.house.gov/view.xhtml?req=(title:21%20section:384%20edition:prelim)

⁹ Concerning wholesale importation of prescription pharmaceutical products from Canada for resale to Colorado residents, and, in connection therewith, making an appropriation, SB 19-005, Regular Session (2019). https://leg.colorado.gov/sites/default/files/2019a_005_signed.pdf

¹⁰ Importation of Prescription Drugs, Department of Health and Human Services, Food and Drug Administration. Fed Reg Vol 85 No 191 62097 (October 1 2020), <https://www.govinfo.gov/content/pkg/FR-2020-10-01/pdf/2020-21522.pdf>



Based on a comprehensive analysis of 167 drugs by the Department, Colorado’s proposed Canadian importation program would save an average of 61 percent on the drugs we seek to import for consumers, employers and other payers in the commercial market.¹¹ Analysis shows that savings could be even steeper if Colorado expanded its importation program to include prescription drugs from countries other than Canada, and if the program were expanded to include the importation of biologic drugs, such as Humira and branded insulins.

The state of Colorado is exploring the opportunity to expand the drug importation program in the event that the federal government amends the current statute to allow Colorado to import from other countries. An expanded importation program would lower prices even more while reducing the pressure on the Canadian supply chain to meet the entirety of the U.S. demand. Canada has signaled that their current supply may not be enough to meet the U.S. demand for imported drugs given the growing number of U.S. states interested in pursuing importation strategy. Most recently, Health Canada, the governmental department that oversees Canadian federal health policy, released an Interim Order¹² that prohibits Canadian distributors from exporting drugs that would lead to a shortage, or exacerbate an existing shortage.

To accommodate Canada’s concerns regarding drug supply for their own nation, Colorado’s Canadian importation proposal does not seek to import any prescription drugs in short supply in Canada. We would further ensure that all our selected Canadian partners are in compliance with Health Canada’s Interim Order. To ensure quality of imported medications, the Department would also only seek to import drugs from those countries that meet current good manufacturing practice standards set forth by the FDA, including countries with either mutual recognition agreements¹³ or cooperative arrangements¹⁴ already in place. Imported drugs will be limited to FDA-approved drugs received from FDA-approved manufacturers.

Ultimately, the importation program would also be able to capitalize on lower costs for biologic drugs available from other countries. “Biologic” describes a diverse category of therapeutic pharmaceuticals that are often “produced through biotechnology in a living system, such as a microorganism, plant cell or animal cell.”¹⁵ These drugs often carry a high price tag.

For example, Humira is a biologic drug that is used to treat rheumatoid arthritis and other autoimmune diseases. Humira is the top-selling biologic in the U.S.¹⁶ In 2019 alone,

¹¹ “Colorado Drug Importation Program--Draft Application”, Department of Health Care Policy and Financing, <https://www.colorado.gov/pacific/sites/default/files/Colorado%20Draft%20SIP%2020-%20Version%203-9-2020.pdf>

¹² Interim Order Respecting Drug Shortages (Safeguarding the Drug Supply), Health Canada. Retrieved December 1, 2020. <https://www.canada.ca/en/health-canada/services/drugs-health-products/compliance-enforcement/importation-exportation/interim-order-drug-shortages-protecting-supply.html>

¹³ Food and Drug Administration & European Union. (2020, May 8). *Mutual recognition agreement (MRA)*. International Agreements; FDA. <https://www.fda.gov/international-programs/international-arrangements/mutual-recognition-agreement-mra>

¹⁴ Food and Drug Administration. (2020, October 13). *Cooperative arrangements*. Cooperative Agreements; Food and Drug Administration. <https://www.fda.gov/international-programs/international-arrangements/cooperative-arrangements>

¹⁵ *Biological Product Definitions*. (n.d.). Food and Drug Administration. Retrieved November 5, 2020, from <https://www.fda.gov/files/drugs/published/Biological-Product-Definitions.pdf>

¹⁶ Stone, K. (2020, June 23). Top 10 Biologic Drugs in the United States. *Verywell Health*. <https://www.verywellhealth.com/top-biologic-drugs-2663233>



consumers, employers, and commercial payers in the state of Colorado¹⁷ spent almost \$76 million on Humira.¹⁸ Importing Humira from Canada could save Coloradan consumers, employers, and others covered by commercial payers \$52.9 million annually, a savings of 67%. Like with other pharmaceuticals, importing biologic drugs would not compromise safety or quality. There are already strong standards in place from the FDA to ensure the safe distribution of biologic drugs. At the same time, about 70% of biologic drugs sold in the U.S. are already made overseas, sourced from 439 foreign FDA-registered licensed facilities.¹⁹

Together, these importation program expansions, if allowed to move forward, will result in significant cost savings and improved access to essential prescription drugs for all Coloradans.

III. Methodology

For this analysis, the Department used data from Colorado’s All Payer Claims Database (APCD), which collects pricing data from the commercial insurance market as well as public payers. The data used for this study does not include Medicaid or Medicare data. The Department’s initial analysis shows that Medicaid would see little to no savings from an importation program due to the deep discounts the program receives.

The Department selected prescription drugs for the analysis based on whether the drug was higher cost, highly utilized in Colorado, and eligible for importation in federal and state statute. The analysis began with over 200 drugs, but eventually the list was narrowed to 50 drugs from common drug categories for which pricing was available in each of our sample countries. Additionally, the Department verified that none of the drugs were currently experiencing a shortage in Canada prior to their inclusion in the analysis.

¹⁷For our analysis, the analysts used data from Colorado’s All Payer Claims Database (APCD) which accounts for 100 percent of fully insured Coloradans and 65 percent of self-funded lives (according to the Center for Improving Value in Health Care (CIVHC) and other sources). To account for the 35 percent of self-funded lives not included in the data, the analysts assumed similar utilization rates to APCD claims but a lower cost per claim of 10 percent to account for the stronger negotiating power of larger self-funded employers. This number does not include Medicaid expenditures.

¹⁸The total cost for Humira in Colorado was estimated using the 2019 APCD data for commercial utilization and self-funded estimates for cost/unit and total units.

¹⁹ *Regulated products and facilities* (FDA at a Glance). (2019). Food and Drug Administration. <https://www.fda.gov/media/131874/download>



To identify the importation price for each sample country, the Department used online resources to identify resources for pricing of each drug in Canada, France and Australia. In each case, these are prescription drug formularies developed by the government of each country. As these formularies are more recent than our data set, we increased the 2019 cost per unit for each Colorado drug by 3.7 percent to account for the 2020 increase of drug prices, as referenced by the Centers for Medicare and Medicaid Services.²⁰ To reach an importation price for each drug, the Department compared this estimated cost per unit to comparable unit costs in each test country. The Department converted the foreign price to U.S. dollar, and increased the price by 45 percent to account for a supply chain markup to maintain the profit margins across the distribution continuum. The percent savings for each sample country was calculated using the difference between Colorado's 2020 unit cost and each sample country's importation price divided by the 2020 Colorado unit cost.

IV. Savings from International Importation

Based on the Department's study, drugs imported from Canada would generate a savings of 63 percent for Colorado consumers, employers and other commercially insured and self-funded payers. France and Australia's importation pricing, when compared to Colorado prices, deliver higher savings at an average of 84 percent and 78 percent, respectively. This analysis demonstrates that expanding the breadth of an importation program to include countries other than Canada would lead to savings.

The full list used in this analysis is below. Further in this report, the Department focuses on different drug classes where savings are particularly deep across our sample countries.

²⁰ *Regulated products and facilities* (FDA at a Glance). (2019). Food and Drug Administration. <https://www.fda.gov/media/131874/download>



Drugs Eligible for Importation in Canada Expanded to France and Australia

Drug Name	Broad Drug Category	2020 Colorado Cost*	Importation Price** from Canada	Percent Savings Canada	Importation Price** from France	Percent Savings France	Importation Price** from Australia	Percent Savings Australia
Advair Diskus	Respiratory	\$8.13	\$2.19	73%	\$0.77	91%	\$0.60	93%
Afinitor	Cancer	\$578.64	\$269.70	53%	\$126.82	78%	\$55.45	90%
Alecensa	Cancer	\$68.73	\$45.86	33%	\$33.36	51%	\$31.01	55%
Atripla	HIV	\$89.46	\$42.25	53%	\$30.08	66%	\$10.75	88%
Augbagio	MS	\$252.22	\$55.42	78%	\$37.62	85%	\$23.45	91%
Biktarvy	HIV	\$100.18	\$42.65	57%	\$33.11	67%	\$31.33	69%
Breo Ellipta	Respiratory	\$5.91	\$2.98	50%	\$1.54	74%	\$1.46	75%
Brilinta	Cardiac	\$6.40	\$1.61	75%	\$1.71	73%	\$2.14	67%
Dovato	HIV	\$79.07	\$33.10	58%	\$30.58	61%	\$24.28	69%
Eliquis	Cardiac	\$7.37	\$1.74	76%	\$1.54	79%	\$1.33	82%
Enstilar	Psoriasis	\$1,053.74	\$91.59	91%	\$56.51	95%	\$70.15	93%
Entresto	Heart Failure	\$8.78	\$3.94	55%	\$3.75	57%	\$3.24	63%
Epi Pen	Anaphylaxis	\$251.31	\$88.09	65%	\$51.33	80%	\$70.15	72%
Epi Pen Jr	Anaphylaxis	\$264.65	\$88.09	67%	\$51.33	81%	\$70.15	73%
Farxiga	Diabetes	\$15.93	\$2.66	83%	\$1.88	88%	\$1.56	90%
Flovent Diskus	Respiratory	\$189.15	\$24.59	87%	\$9.79	95%	\$7.19	96%
Forteo	Osteoporosis	\$3,906.62	\$880.58	77%	\$394.04	90%	\$343.66	91%
Genvoya	HIV	\$98.20	\$47.63	51%	\$38.26	61%	\$33.35	66%
Gilenya	Multiple Sclerosis	\$272.81	\$92.62	66%	\$81.27	70%	\$76.74	72%
Glucagen	Hypoglycemia	\$231.11	\$83.85	64%	\$22.82	90%	\$51.85	78%
Ibrance	Cancer	\$622.40	\$276.13	56%	\$178.42	71%	\$203.23	67%
Imbruvica	Cancer	\$144.42	\$98.58	32%	\$98.40	32%	\$100.15	31%
Inlyta	Cancer	\$266.53	\$101.14	62%	\$92.60	65%	\$93.96	65%
Isentress	HIV	\$26.63	\$12.51	53%	\$13.65	49%	\$9.90	63%
Jakafi	Myelofibrosis	\$242.04	\$89.38	63%	\$44.72	82%	\$46.60	81%
Janumet	Diabetes	\$7.19	\$1.49	79%	\$0.63	91%	\$0.76	89%
Januvia	Diabetes	\$14.65	\$2.85	81%	\$1.27	91%	\$1.41	90%
Lamictal	Epilepsy	\$12.24	\$1.56	87%	\$0.62	95%	\$0.27	98%
Lumigan	Inflammation	\$190.39	\$29.39	85%	\$27.09	86%	\$32.14	83%
Nexavar	Cancer	\$167.54	\$50.03	70%	\$42.91	74%	\$46.94	72%
Odefsey	HIV	\$90.38	\$42.65	53%	\$24.50	73%	\$33.35	63%
Onglyza	Diabetes	\$13.84	\$2.50	82%	\$1.40	90%	\$1.57	89%
Pradaxa	Cardiac	\$4.58	\$1.74	62%	\$1.40	69%	\$1.13	75%
Spiriva Respimat	Respiratory	\$9.92	\$0.94	91%	\$0.60	94%	\$0.50	95%
Sprycel	Cancer	\$470.80	\$159.14	66%	\$170.48	64%	\$143.18	70%
Stiolto Respimat	Respiratory	\$5.31	\$1.10	79%	\$1.05	80%	\$1.28	76%
Sutent	Cancer	\$664.90	\$274.71	59%	\$254.85	62%	\$215.22	68%
Synthroid	Hypothyroidism	\$1.20	\$0.08	93%	\$0.08	95%	\$0.07	94%
Tagrisso	Cancer	\$520.95	\$320.46	38%	\$309.38	41%	\$271.78	48%
Tarceva	Cancer	\$304.87	\$87.00	71%	\$86.78	72%	\$36.12	88%
Tasigna	Cancer	\$129.60	\$29.66	77%	\$34.20	74%	\$32.14	75%
Tecfidera	MS	\$134.25	\$27.71	79%	\$24.17	82%	\$21.80	84%
Tivicay	HIV	\$49.91	\$20.12	60%	\$27.32	45%	\$22.01	56%
Trelegy	Respiratory	\$9.21	\$2.40	74%	\$2.65	71%	\$2.66	71%
Triumeq	HIV	\$91.06	\$44.12	52%	\$38.26	58%	\$28.89	68%
Truvada	HIV	\$57.90	\$28.39	51%	\$16.84	71%	N/A***	N/A***
Xarelto	Cardiac	\$14.63	\$3.09	79%	\$2.82	81%	\$2.37	84%
Xeljanz	Arthritis, colitis	\$72.34	\$25.12	65%	\$18.74	74%	\$21.44	70%
Xigduo	Diabetes	\$8.09	\$1.33	84%	\$0.94	88%	\$0.82	90%
Xtandi	Cancer	\$94.32	\$30.83	67%	\$42.35	55%	\$31.47	67%

*Colorado's 2020 cost per unit is the 2019 Colorado cost per unit from the All Payor Claims Database (APCD) increased by 3.7% to account for annual average increase in drug prices, as estimated by the Centers for Medicare and Medicaid Services.

**The Importation price is the unit cost of the drug in each respective country, converted to US Dollar, with a 45% markup for the supply chain.

***The Government of Australia only covers the generic version of Truvada.



Certain drug classes eligible for importation, such as HIV drugs, are particularly well positioned for deep savings to the benefit of Coloradans and our employers, as illustrated by the table below. In 2019, Colorado²¹ commercially insured payers spent over \$124 million²² on these drugs—an amount expected to rise. Improving the affordability of HIV drugs would also improve patient compliance,²³ which directly improves patient outcomes, lowers complications and reduces medical costs across the system.

HIV Drugs Eligible for Importation in Canada Expanded to France and Australia							
Drug Name	2020 Colorado Cost*	Importation Price** from Canada	Percent Savings Canada	Importation Price** from France	Percent Savings France	Importation Price** from Australia	Percent Savings Australia
Atripla	\$89.46	\$42.25	53%	\$30.08	66%	\$10.75	88%
Biktarvy	\$100.18	\$42.65	57%	\$33.11	67%	\$31.33	69%
Dovato	\$79.07	\$33.10	58%	\$30.58	61%	\$24.28	69%
Genvoya	\$98.20	\$47.63	51%	\$38.26	61%	\$33.35	66%
Isentress	\$26.63	\$12.51	53%	\$13.65	49%	\$9.90	63%
Odefsey	\$90.38	\$42.65	53%	\$24.50	73%	\$33.35	63%
Tivicay	\$49.91	\$20.12	60%	\$27.32	45%	\$22.01	56%
Triumeq	\$91.06	\$44.12	52%	\$38.26	58%	\$28.89	68%
Truvada	\$57.90	\$28.39	51%	\$16.84	71%	N/A***	N/A***

*Colorado's 2020 cost per unit is the 2019 Colorado cost per unit from the All Payer Claims Database (APCD) increased by 3.7% to account for annual average increase in drug prices, as estimated by the Centers for Medicare and Medicaid Services.

**The Importation price is the unit cost of the drug in each respective country, converted to US Dollar, with a 45% markup for the supply chain.

***The Government of Australia only covers the generic version of Truvada.

Truvada is one of the leading HIV drugs on the market, taken once per day for both prevention and treatment. In 2019, Colorado’s commercially insured health plans and patients spent \$35 million on Truvada. Other countries access this drug at a fraction of the price. In fact, in all three of the researched countries, a generic version of Truvada has been available for some time; however, in the U.S. a generic version was only recently approved in September 2020. While the price of brand Truvada is expected to decrease in the U.S. due to the presence of the generic version, it will take time to reach the pricing levels in our test sample countries. In fact, the initial offering price of generic Truvada in the U.S. is only 16% less than the brand name price.²⁴ Since there is now an approved generic version available in

²¹ For the analysis, the analysts used data from Colorado’s All Payer Claims Database (APCD) which accounts for 100 percent of fully insured Coloradans and 65 percent of self funded lives (according to the Center for Improving Value in Health Care (CIVHC) and other sources). To account for the 35 percent of self funded lives not included in the data, the analysts assumed similar utilization rates to APCD claims but a lower cost per claim of 10 percent to account for the stronger negotiating power of larger self-funded employers. This number does not include Medicaid expenditures.

²² The total cost for the selected list of HIV drugs in Colorado was estimated using the 2019 APCD data for commercial utilization and self-funded estimates for cost/unit and total units.

²³ Silverman, E. (2020, September 16). The cost of Gilead’s HIV prevention pill thwarted widespread use, study finds. *STAT*. <https://www.statnews.com/pharmalot/2020/09/16/gilead-hiv-aids-medicare-medicaid/>

²⁴ The percent difference was calculated using the estimated 2020 brand name cost and the released cost of \$48.51: Highleyman, L. (2020, October 2). First generic Truvada now available in the United States. *POZ*. <https://www.poz.com/article/first-generic-truvada-now-available-united-states>



the U.S., Colorado could import it from abroad and realize the significant savings immediately. Should an international importation program come to fruition, Colorado could take advantage of the significant cost difference of generic Truvada in other countries. As illustrated below, the generic version of Truvada in Australia is 93% less expensive, even with a markup for the supply chain, than what is available in Colorado.

Example: Generic Truvada Cost Comparison by Country				
Price	Cost Per Tablet	2019 Tablets Dispensed***	Estimated 2020 Cost	Percent Savings over Brand
2020 Brand Name Cost Truvada*	\$57.90	631036	\$36,536,984	N/A
Generic Truvada Estimated US Cost ⁺	\$48.51		\$30,611,556	16%
Price	Cost Per Tablet	2019 Tablets Dispensed***	Estimated 2020 Cost	Percent Savings over Generic Price
Canadian Importation Price**	\$7.94	631036	\$5,010,426	84%
French Importation Price**	\$7.92		\$4,997,805	84%
Australian Importation Price**	\$3.22		\$2,031,936	93%
<p>*Colorado's 2020 cost per tablet is the 2019 Colorado cost per tablet of Truvada increased by 3.7% to account for annual average increase in drug prices, as estimated by the Centers for Medicare and Medicaid Services.</p> <p>+Price for Generic Truvada is the Wholesale Acquisition Cost as of October 2nd, 2020</p> <p>**The Importation price is the unit cost of the drug in each respective country, converted to US Dollar, with a 45% markup for the supply chain.</p> <p>***Total number of brand name Truvada tablets dispensed in Colorado in 2019</p>				

V. Savings from the Importation of Biologic Drugs

The federal rule²⁵ that outlines the regulatory framework for importation includes eight drug categories that are excluded²⁶ from importation. Many of these exclusions are due to the nature of the drugs in question. Most are drugs that are not available for purchase at a pharmacy, are physician-administered, or have additional safety requirements.

²⁵ Importation of Prescription Drugs, Department of Health and Human Services, Food and Drug Administration. Fed Reg Vol 85 No 191 62097 (October 1 2020), <https://www.govinfo.gov/content/pkg/FR-2020-10-01/pdf/2020-21522.pdf>

²⁶ Drug excluded from importation are controlled substances, infusions (drugs given in an office or infusion center), intravenous (drugs given through a vein), drugs inhaled for surgery, risk evaluation and mitigation strategy (REMS) (drugs requiring extra safety protocols), intraocular (drugs administered through the eye), intrathecal (drugs administered through the spine), and biologics, such as insulin or Humira.



However, many common biologic drugs are available at local pharmacies and subject to no more additional safety protocols than non-biologic prescription drugs approved for importation. Eliminating the exclusion for biologic drugs, such as insulins or drugs like Humira, would allow for even greater savings.

Based on the Department’s analysis, commercially insured and self-funded employers, and their covered members in Colorado are paying as much as 78 percent more for Humira than purchasers in other countries. The following table illustrates the savings that could be realized through the importation of biologics from the three evaluated countries. If Colorado could import these selected biologic drugs²⁷ from Canada for example, Colorado²⁸ commercially covered consumers, employers and other payers could save over \$146 million annually—71 percent.

Biologic Drugs for Importation from Canada, France, and Australia								
Drug Name	Broad Drug Category	2020 Colorado Cost*	Importation Price** from Canada	Percent Savings Canada	Importation Price** from France	Percent Savings France	Importation Price** from Australia	Percent Savings Australia
Avonex Syringe	Multiple Sclerosis	\$1,736.07	\$383.30	78%	\$263.49	85%	\$229.96	87%
Cimzia	Chronic inflammatory conditions	\$2,246.38	\$686.52	69%	\$505.71	77%	\$545.78	76%
Dupixent	Excema/ Asthma	\$769.96	\$510.23	34%	\$560.11	27%	\$427.47	44%
Enbrel	Rheumatoid Arthritis	\$638.71	\$198.07	69%	\$117.47	82%	\$141.14	78%
Enbrel	Rheumatoid Arthritis	\$1,295.37	\$390.72	70%	\$234.94	82%	\$282.27	78%
Humalog	Diabetes	\$19.58	\$2.85	85%	\$2.47	87%	\$2.66	86%
Humalog KwikPen	Diabetes	\$29.33	\$3.73	87%	\$3.34	89%	\$2.98	90%
Humira	Chronic inflammatory conditions	\$2,362.91	\$776.74	67%	\$490.89	79%	\$620.56	74%
Lantus Solostar (Optisulin in Aus)	Diabetes	\$25.27	\$6.39	75%	\$4.35	83%	\$2.62	90%
Levemir Flex Pen	Diabetes	\$29.42	\$7.16	76%	\$14.37	51%	\$5.01	83%
Orencia	Chronic inflammatory conditions	\$1,075.59	\$374.87	65%	\$315.32	71%	\$256.48	76%
Rebif	Multiple Sclerosis	\$1,329.14	\$474.86	64%	\$189.70	86%	\$153.31	88%
Stelara	Chronic inflammatory conditions	\$21,121.64	\$4,689.00	78%	\$3,653.79	83%	\$4,182.21	80%
Trulicity	Diabetes	\$374.23	\$45.75	88%	\$58.93	84%	\$35.15	91%

*Colorado's 2020 cost per unit is the 2019 Colorado cost per unit increased by 3.7% to account for annual average increase in drug prices, as estimated by the Centers for Medicare and Medicaid Services.

**The Importation price is the unit cost of the drug in each respective country, converted to US Dollar, with a 45% markup for the supply chain.

VI. Accessing Importation Savings

Accessing lower prescription drug prices through importation and bringing meaningful relief to Coloradans requires several changes to different levels of legislation. First and foremost, statutory changes are needed at the federal level to allow states to import drugs from other

²⁷ The total cost for the selected list of biologic drugs in Colorado was estimated using the 2019 APCD data for commercial utilization and self-funded estimates for cost/unit and total units. The estimated total cost of this selected list is \$217,237,215.

²⁸ For our analysis, we used data from Colorado’s All Payer Claims Database (APCD) which accounts for 100 percent of fully insured Coloradans and 65 percent of self-funded lives (according to the Center for Improving Value in Health Care (CIVHC) and other sources). To account for the 35 percent of self-funded lives not included in the data, we assumed similar utilization rates to APCD claims but a lower cost per claim of 10 percent to account for the stronger negotiating power of larger self-funded employers. This number does not include Medicaid expenditures.



countries in addition to Canada. 21 USC 384²⁹, as it currently stands, specifically allows for the importation of drugs into the U.S. from Canada only, and bars the importation of biologic drugs. Colorado can work with our federal bipartisan congressional delegation to drive for amendments to this portion of U.S. law. Momentum is building for drug pricing reforms, given the impact of the rising cost of prescription drugs to the overall affordability of healthcare.

In Colorado, the state legislature has shown interest in passing SB 20-119, which could have expanded the Canadian importation program to include other countries. The bill was tabled in the truncated 2020 legislation session but creates an opportunity for the upcoming 2021 session. This bill, as previously introduced in the 2020 legislative session, proposed to mirror changes to federal law enabling importation from other countries and for importable drug classes. This would enable Colorado to keep pace with federal legislation, ensuring Colorado's continued leadership in this important area of prescription drug affordability.

VII. Look to Medicaid as a Guide - A Lesson from the Importation Project

According to the Department's analysis, if drug importation programs were established, Colorado's Medicaid program would not see meaningful savings, while the commercial market and those covered by it would see very meaningful savings. This is an important learning that has come out of the Drug Importation workstream.

The analysis highlights that Medicaid is more sheltered from the burden of rising drug prices and sheltered from the full effect of high cost specialty drugs compared to commercial payers. This is a credit to federal protections in place, such as:

- The Medicaid Drug Rebate Program requires that manufacturers offer their “best price” to Medicaid programs
- Medicaid rebates are increased when drug prices increase faster than inflation
- All rebates are passed through to the program at both the federal and state level (not kept by the Pharmacy Benefit Manager (PBM) middleman)
- Supplemental rebates can be negotiated in excess of the mandated rebate in exchange for preferred formulary status.

When reviewing options for lowering prescription drug costs in the commercial market, Medicaid protections and policies can be used as a guide to aid policy makers in their design of new programs and models to address this challenging issue in the commercial market. Drug importation, and the expansion of this innovative program, is one of the levers available to bring more immediate relief to consumers in Colorado and across the nation by bringing prescription drug costs to the commercial market that are more in line with Medicaid and other countries.

Drug importation is a valuable tool to address high prescription drug costs in Colorado and its expansion to include other countries as well as biologic drugs would only increase its impact.

²⁹ Importation of prescription drugs, 21 USC 384 § Title 21: Food and Drugs. Retrieved November 5, 2020, from <https://www.govinfo.gov/app/details/USCODE-2014-title21/USCODE-2014-title21-chap9-subchapVIII-sec384>



With the importation program’s focus on the commercial market, Colorado can change the way Coloradans access the higher cost, non-specialty brand name drugs in this state through a safe and effective model and distribution chain. To expand the importation program, the state of Colorado and other stakeholders must engage with federal partners to pursue the necessary federal statutory changes.

VIII. Conclusion and Next Steps

According to a national poll from the West Health Institute, a nonpartisan, nonprofit health care research organization³⁰, 78% of Americans said addressing health care costs was their highest priority. The overwhelming majority of Americans also favor government action to bring down the price of prescription drugs.³¹ Given that prescription drugs are the top driver of rising health care costs and often the first line of offense and defense against illness, injury, and chronic conditions, our ability to control their costs more effectively is critical to the overall affordability of health care.

Importation presents one of the highest opportunities for savings on common, high volume, branded drugs that treat chronic conditions. Savings that average between 61% to more than 80% from other countries is incredibly meaningful to Coloradan families, our employers and taxpayer supported programs like the State employee health benefit plan. That’s why Governor Polis and his administration have prioritized it, and why the Department of Health Care Policy and Financing is so focused on making drug importation a reality by 2023.

The Department looks forward to working with stakeholders through the next steps in the importation process. This will be a continued focus on our Canadian importation program through the release of an Invitation to Negotiate (ITN) to identify our supply chain partners and continued stakeholder engagement to structure the program to bring the most savings to Colorado consumers, employers and commercial payers. We look forward to continued discussions.

For more information on the Department’s Importation work, or to engage in the stakeholder process, please visit <https://www.colorado.gov/hcpf/drug-importation>. *We appreciate your partnership.*

³⁰ *High Prices, Broken Promises*. (2018). [Press Release]. NORC.

<https://www.norc.org/NewsEventsPublications/PressReleases/Pages/high-prices-broken-promises.aspx>

³¹ “KFF Health Tracking Poll (conducted February 14-24, 2019),” Kaiser Family Foundation, <http://files.kff.org/attachment/Topline-KFF-Health-Tracking-Poll-February-2019>.



Appendices



Appendix 1: A Price Analysis of Fifty Selected Drugs for Importation from Canada, France, and Australia

Drug Name	Strength	Drug Indication	2020 Colorado Unit Cost*	Total 2019 CO Utilization by Unit**	2020 Colorado Total Cost Per Drug based on estimated 2019 Utilization	Importation Price*** from Canada	Percent Savings Canada	Canadian Importation Total Cost	Importation Price*** from France	Percent Savings France	French Importation Total Cost	Importation Price*** from Australia	Percent Savings Australia	Australian Importation Total Cost
Advair Diskus	250/50mcg	Respiratory	\$8.13	2441680	\$19,851,054.67	\$2.19	73%	\$5,351,369	\$0.77	91%	\$1,876,489.90	\$0.60	93%	\$1,468,289.69
Afinitor	10mg	Cancer	\$578.64	4008	\$2,319,438.67	\$269.70	53%	\$1,081,082	\$126.82	78%	\$508,350.37	\$55.45	90%	\$222,256.53
Alecensa	150mg	Cancer	\$68.73	37504	\$2,577,762.75	\$45.86	33%	\$1,719,806	\$33.36	51%	\$1,251,314.01	\$31.01	55%	\$1,162,890.00
Atripla	600/200/300mg	HIV	\$89.46	17701	\$1,583,572.88	\$42.25	53%	\$747,801	\$30.08	66%	\$532,437.19	\$10.75	88%	\$190,343.14
Augbagio	14mg	Multiple Sclerosis	\$252.22	41606	\$10,493,916.85	\$55.42	78%	\$2,305,687	\$37.62	85%	\$1,565,434.20	\$23.45	91%	\$975,595.59
Biktarvy	50/200/25mg	HIV	\$100.18	291993	\$29,253,160.01	\$42.65	57%	\$12,454,856	\$33.11	67%	\$9,667,249.49	\$31.33	69%	\$9,148,258.80
Breo Ellipta	100/225mcg	Respiratory	\$5.91	529175	\$3,127,899.46	\$2.98	50%	\$1,576,809	\$1.54	74%	\$814,876.31	\$1.46	75%	\$773,441.92
Brilinta	90mg	Cardiac	\$6.40	220605	\$1,411,494.37	\$1.61	75%	\$355,064	\$1.71	73%	\$377,455.05	\$2.14	67%	\$472,138.69
Dovato	50/300mg	HIV	\$79.07	5953	\$470,735.48	\$33.10	58%	\$197,075	\$30.58	61%	\$182,025.78	\$24.28	69%	\$144,566.79
Eliquis	5mg	Cardiac	\$7.37	1362445	\$10,045,401.62	\$1.74	76%	\$2,370,654	\$1.54	79%	\$2,098,028.90	\$1.33	82%	\$1,806,438.44
Enstilar	0.005/0.064%	Psoriasis	\$1,053.74	533	\$561,382.94	\$91.59	91%	\$48,975	\$56.51	95%	\$30,108.25	\$70.15	93%	\$37,370.77
Entresto	97/103mg	Heart Failure	\$8.78	69008	\$606,123.23	\$3.94	55%	\$271,667	\$3.75	57%	\$258,578.78	\$3.24	63%	\$223,337.14
Epi Pen	0.3/0.3mL	Anaphylaxis	\$251.31	485	\$122,001.61	\$88.09	65%	\$42,764	\$51.33	80%	\$24,919.14	\$70.15	72%	\$34,053.90
Epi Pen Jr	0.15/0.15mL	Anaphylaxis	\$264.65	594	\$157,163.03	\$88.09	67%	\$52,310	\$51.33	81%	\$30,482.12	\$70.15	73%	\$41,656.15
Farxiga	10mg	Diabetes	\$15.93	138711	\$2,209,426.58	\$2.66	83%	\$369,577	\$1.88	88%	\$261,067.19	\$1.56	90%	\$215,772.64
Flovent Diskus	100mcg	Respiratory	\$189.15	814	\$153,885.64	\$24.59	87%	\$20,004	\$9.79	95%	\$7,962.34	\$7.19	96%	\$5,852.13
Forteo	250mcg	Osteoporosis	\$3,906.62	3618	\$14,134,179.71	\$880.58	77%	\$3,185,950	\$394.04	90%	\$1,425,651.69	\$343.66	91%	\$1,243,378.71
Genvoya	150/150/200/10mg	HIV	\$98.20	309041	\$30,348,983.11	\$47.63	51%	\$14,720,473	\$38.26	61%	\$11,823,259.38	\$33.35	66%	\$10,305,066.98
Gilenya	0.5mg	Multiple Sclerosis	\$272.81	87012	\$23,738,040.02	\$92.62	66%	\$8,058,769	\$81.27	70%	\$7,071,668.39	\$76.74	72%	\$6,677,673.64
Glucagen	1mg	Hypoglycemia	\$231.11	175	\$40,486.18	\$83.85	64%	\$14,689	\$22.82	90%	\$3,998.54	\$51.85	78%	\$9,082.45
Ibrance	125mg	Cancer	\$622.40	14367	\$8,941,743.53	\$276.13	56%	\$3,967,052	\$178.42	71%	\$2,563,337.14	\$203.23	67%	\$2,919,657.55
Imbruvica	140mg	Cancer	\$144.42	20629	\$2,979,262.98	\$98.58	32%	\$2,033,619	\$98.40	32%	\$2,029,859.06	\$100.15	31%	\$2,065,986.36
Inlyta	5mg	Cancer	\$266.53	2678	\$713,832.25	\$101.14	62%	\$270,871	\$92.60	65%	\$248,003.77	\$93.96	65%	\$251,648.01
Isentress	400mg	HIV	\$26.63	90027	\$2,397,435.46	\$12.51	53%	\$1,125,901	\$13.65	49%	\$1,229,209.90	\$9.90	63%	\$891,008.78
Jakafi	5mg	Myelofibrosis	\$242.04	4343	\$1,051,040.46	\$89.38	63%	\$388,148	\$44.72	82%	\$194,183.51	\$46.60	81%	\$202,378.56
Janumet	50/1000mg	Diabetes	\$7.19	179671	\$1,291,190.36	\$1.49	79%	\$267,688	\$0.63	91%	\$113,744.40	\$0.76	89%	\$136,930.96
Januvia	100mg	Diabetes	\$14.65	309766	\$4,538,949.44	\$2.85	81%	\$881,827	\$1.27	91%	\$392,207.74	\$1.41	90%	\$436,584.88
Lamictal	100mg	Epilepsy	\$12.24	55207	\$675,544.85	\$1.56	87%	\$85,914	\$0.62	95%	\$34,005.25	\$0.27	98%	\$14,985.36
Lumigan	0.01%	Inflammation	\$190.39	11791	\$2,244,891.07	\$29.39	85%	\$346,528	\$27.09	86%	\$319,423.01	\$32.14	83%	\$378,930.87
Nexavar	200mg	Cancer	\$167.54	4564	\$764,593.18	\$50.03	70%	\$228,343	\$42.91	74%	\$195,837.28	\$46.94	72%	\$214,212.41
Odefsey	200/25/25mg	HIV	\$90.38	73987	\$6,687,335.50	\$42.65	53%	\$3,155,905	\$24.50	73%	\$1,812,801.12	\$33.35	63%	\$2,467,132.90
Onglyza	5mg	Diabetes	\$13.84	59934	\$829,722.23	\$2.50	82%	\$149,910	\$1.40	90%	\$84,088.49	\$1.57	89%	\$93,856.52
Pradaxa	150mg	Cardiac	\$4.58	937397	\$4,296,594.57	\$1.74	62%	\$1,631,070	\$1.40	69%	\$1,315,186.10	\$1.13	75%	\$1,056,933.35
Spiriva Respimat	2.5mcg	Respiratory	\$9.92	420183	\$4,169,936.58	\$0.94	91%	\$395,261	\$0.60	94%	\$251,626.75	\$0.50	95%	\$210,562.24
Sprycel	100mg	Cancer	\$470.80	15321	\$7,213,204.80	\$159.14	66%	\$2,438,255	\$170.48	64%	\$2,612,025.32	\$143.18	70%	\$2,193,764.30
Stiolto Respimat	2.5mcg	Respiratory	\$5.31	112950	\$599,776.88	\$1.10	79%	\$124,675	\$1.05	80%	\$119,142.73	\$1.28	76%	\$144,647.62
Sutent	50mg	Cancer	\$664.90	748	\$497,511.61	\$274.71	59%	\$205,552	\$254.85	62%	\$190,693.11	\$215.22	68%	\$161,037.99
Synthroid	75mcg	Hypothyroidism	\$1.20	457998	\$550,934.84	\$0.08	93%	\$38,252	\$0.06	95%	\$28,994.47	\$0.07	94%	\$33,470.49
Tagrisso	80mg	Cancer	\$520.95	12839	\$6,688,418.60	\$320.46	38%	\$4,114,379	\$309.38	41%	\$3,972,154.31	\$271.78	48%	\$3,489,428.91
Tarceva	150mg	Cancer	\$304.87	1203	\$366,615.05	\$87.00	71%	\$104,621	\$86.78	72%	\$104,358.60	\$36.12	88%	\$43,438.58
Tasigna	150mg	Cancer	\$129.60	18155	\$2,353,012.20	\$29.66	77%	\$538,503	\$34.20	74%	\$620,965.83	\$32.14	75%	\$583,599.74
Tecfidera	240mg	Multiple Sclerosis	\$134.25	151098	\$20,284,938.44	\$27.71	79%	\$4,186,774	\$24.17	82%	\$3,651,722.78	\$21.80	84%	\$3,293,747.69
Tivicay	50mg	HIV	\$49.91	185860	\$9,276,447.33	\$20.12	60%	\$3,739,281	\$27.32	45%	\$5,078,576.41	\$22.01	56%	\$4,090,328.33
Trelegy	100/62.5/25 mcg	Respiratory	\$9.21	139251	\$1,282,301.05	\$2.40	74%	\$333,663	\$2.65	71%	\$369,300.57	\$2.66	71%	\$370,713.97
Triumeq	600/50/300mg	HIV	\$91.06	138552	\$12,616,377.90	\$44.12	52%	\$6,112,328	\$38.26	58%	\$5,300,706.57	\$28.89	68%	\$4,002,410.35
Truvada	200/300mg	HIV	\$57.90	631036	\$36,534,263.90	\$28.39	51%	\$17,912,534	\$16.84	71%	\$10,624,269.66	\$0.00	100%	\$0.00
Xarelto	20mg	Cardiac	\$14.63	876005	\$12,817,762.54	\$3.09	79%	\$2,705,541	\$2.82	81%	\$2,473,092.76	\$2.37	84%	\$2,076,026.09
Xeljanz	5mg	Arthritis, colitis	\$72.34	56573	\$4,092,536.37	\$25.12	65%	\$1,420,963	\$18.74	74%	\$1,059,916.00	\$21.44	70%	\$1,213,132.56
Xigduo	5/1000mg	Diabetes	\$8.09	34553	\$279,484.90	\$1.33	84%	\$46,031	\$0.94	88%	\$32,516.04	\$0.82	90%	\$28,497.88
Xtandi	40mg	Cancer	\$94.32	48704	\$4,593,552.63	\$30.83	67%	\$1,501,319	\$42.35	55%	\$2,062,492.84	\$31.47	67%	\$1,532,537.05
Colorado Total Cost					\$314,835,320.32	Canada Total Cost		\$115,395,906.48	France Total Cost		\$49,084,441.54	Australia Total Cost		\$69,755,054.40
						Average Percent Savings**** Canada		63%	Average Percent Savings**** France		84%	Average Percent Savings**** Australia		78%

All prices in this spreadsheet, for purposes of display, have been rounded to the nearest hundredth.
 *Prices were obtained from the Colorado All Payer Claims Database (APCD) using unit price data from all participating health plans in 2019. The unit price per drug was then increased by 3.7% to account for an annual price increase as projected by the Centers for Medicare and Medicaid Services.
 **Total units utilized in 2019 is an estimate developed by the Department. APCD data includes 100 percent of fully-insured and 65 percent of self-funded lives (according to CIVHC and other sources), therefore leaving 35% of the self-funded market's utilization unaccounted for. In order to derive a cost savings estimate for the self-funded lives not included in CIVHC data, we assumed similar utilization rates to fully-insured claims and combined the units together to calculate an estimated total utilization.
 ***The Importation price is the unit cost of the drug in each respective country, converted to US Dollar, with a 45% markup for the supply chain.
 ****The Average Percent Savings was calculated using the difference between Colorado's 2020 total cost and each test country's total importation cost price divided by Colorado's 2020 total cost.

Appendix 2: A Price Analysis of Selected Biologics for Importation from Canada, France and Australia

Drug Name	Strength	Drug Indication	2020 Colorado Cost*	Total 2019 CO Utilization by Unit**	2020 Colorado Total Cost Per Drug based on estimated 2019 Utilization	Importation Price*** from Canada	Percent Savings Canada	Canadian Importation Total Cost	Importation Price*** from France	Percent Savings France	French Importation Total Cost	Importation Price*** from Australia	Percent Savings Australia	Australian Importation Total Cost
Avonex Syringe	30mcg/0.5mL	Multiple Sclerosis	\$1,736.07	2096	\$3,639,289.37	\$383.30	78%	\$803,502.94	\$263.49	85%	\$552,356.39	\$229.96	87%	\$482,063.55
Cimzia	200mg/mL	Chronic inflammatory conditions	\$2,246.38	3625	\$8,144,078.22	\$686.52	69%	\$2,488,919.86	\$505.71	77%	\$1,833,432.12	\$545.78	76%	\$1,978,682.09
Dupixent	300mg/2mL	Excema/Asthma	\$769.96	17069	\$13,142,193.38	\$510.23	34%	\$8,708,932.62	\$560.11	27%	\$9,560,356.99	\$427.47	44%	\$7,296,323.15
Enbrel	25mg/0.5mL	Rheumatoid Arthritis	\$638.71	2464	\$1,574,073.86	\$198.07	69%	\$488,147.06	\$117.47	82%	\$289,497.11	\$141.14	78%	\$347,822.02
Enbrel	50mg/mL	Rheumatoid Arthritis	\$1,295.37	9522	\$12,334,917.84	\$390.72	70%	\$3,720,559.39	\$234.94	82%	\$2,237,149.92	\$282.27	78%	\$2,687,842.79
Humalog	100U/mL	Diabetes	\$19.58	1280861	\$25,077,410.63	\$2.85	85%	\$3,645,313.91	\$2.47	87%	\$3,164,602.36	\$2.66	86%	\$3,405,476.31
Humalog KwikPen	100U/mL	Diabetes	\$29.33	366905	\$10,759,984.51	\$3.73	87%	\$1,368,335.03	\$3.34	89%	\$1,224,159.78	\$2.98	90%	\$1,095,148.27
Humira	40mg/0.8mL	Chronic inflammatory conditions	\$2,362.91	33341	\$78,782,885.57	\$776.74	67%	\$25,897,537.37	\$490.89	79%	\$16,366,868.46	\$620.56	74%	\$20,690,446.56
Lantus Solostar (Optisulin in Aus)	100U/mL	Diabetes	\$25.27	244356	\$6,175,284.42	\$6.39	75%	\$1,561,116.00	\$4.35	83%	\$1,063,628.08	\$2.62	90%	\$641,419.08
Levemir Flex Pen	100U/mL	Diabetes	\$29.42	221255	\$6,509,259.39	\$7.16	76%	\$1,583,086.49	\$14.37	51%	\$3,179,968.24	\$5.01	83%	\$1,107,884.42
Orencia	125mg/mL	Chronic inflammatory conditions	\$1,075.59	4916	\$5,287,112.96	\$374.87	65%	\$1,842,693.64	\$315.32	71%	\$1,549,954.77	\$256.48	76%	\$1,260,729.44
Rebif	44mcg/0.5mL	Multiple Sclerosis	\$1,329.14	5064	\$6,730,814.07	\$474.86	64%	\$2,404,713.71	\$189.70	86%	\$960,623.49	\$153.31	88%	\$776,354.48
Stelara	45mg/0.5mL	Chronic inflammatory conditions	\$21,121.64	787	\$16,619,478.63	\$4,689.00	78%	\$3,689,518.07	\$3,653.79	83%	\$2,874,969.96	\$4,182.21	80%	\$3,290,753.96
Trulicity	1.5mg/0.5mL	Diabetes	\$374.23	28742	\$10,756,249.81	\$45.75	88%	\$1,314,985.87	\$58.93	84%	\$1,693,684.30	\$35.15	91%	\$1,010,290.70
Colorado Total Cost					\$205,533,032.66	Canada Total Cost		\$59,517,361.97	France Total Cost		\$46,551,251.97	Australia Total Cost		\$45,589,173.26
						Average Percent Savings****Canada		71%	Average Percent Savings****France		77%	Average Percent Savings****Australia		78%

All prices in this spreadsheet, for purposes of display, have been rounded to the nearest hundredth.

*Prices were obtained from the Colorado All Payer Claims Database (APCD) using unit price data from all participating health plans in 2019. The unit price per drug was then increased by 3.7% to account for an annual price increase as projected by the Centers for Medicare and Medicaid Services.

**Total units utilized in 2019 is an estimate developed by the Department. APCD data includes 100 percent of fully-insured and 65 percent of self-funded lives (according to CIVHC and other sources), therefore leaving 35% of the self-funded market's utilization unaccounted for. In order to derive a cost savings estimate for the self-funded lives not included in CIVHC data, we assumed similar utilization rates to fully-insured claims and combined the units together to calculate an estimated total utilization.

***The Importation price is the unit cost of the drug in each respective country, converted to US Dollar, with a 45% markup for the supply chain.

****The Average Percent Savings was calculated using the difference between Colorado's 2020 total cost and each test country's total importation cost price divided by Colorado's 2020 total cost.