

PHARMACEUTICAL ASSISTANCE CONTRACT FOR THE ELDERLY

ANNUAL REPORT TO THE PENNSYLVANIA GENERAL ASSEMBLY

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## EXECUTIVE SUMMARY

Over the past 24 years, the PACE Program has provided life sustaining medication to over one million older Pennsylvanians in need of assistance. The Pennsylvania Department of Aging prepares this annual report as a resource for information and research. The pages that follow provide a review of Program operations, expenditures and benefits to older persons.

This abridged report presents an overview of the pharmaceutical utilization of older Pennsylvanians, including information on:

- collaborative research efforts,
- financial information,
- program measures,
- utilization parameters,
- data stratified by county, and
- provider statistics.

### ENROLLMENT, UTILIZATION, and EXPENDITURES

Prescription drug benefits constitute 97.2% of the Program's total gross expenses while administrative costs are 2.4%. Mandated manufacturer rebates and other recoveries reduced 2008 gross expenses by 13.5%. Analysis of historical trends for the three drivers of PACE/PACENET expenditures - enrollment, utilization, and cost per claim based on the semi-annual periods by date of service - reveals several findings:

PACE: The combination of the following factors resulted in an overall 18.9% decrease in total PACE expenditures for 2008 when compared to 2007.

- *Continued PACE Plus Medicare Savings*: The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA) established a Medicare prescription drug benefit (known as Part D), which went into effect on January 1, 2006. As a qualified State Pharmaceutical Assistance Program (SPAP), PACE received authorization from CMS to coordinate its benefits with those offered by Medicare Part D prescription drug plans, and in September 2006, the PACE Plus Medicare Program was implemented. During 2008, a total of 85,129 (83%) PACE cardholders participated in Medicare Part D; the majority of these cardholders (56,251) were assigned by PACE to five partner plans. As a result of PACE Plus Medicare, the PACE Program saw substantial cost savings beginning in late 2006 and continuing through 2008.
- *Decrease in Enrollment*: The number of PACE-enrolled cardholders in 2008 decreased (by 18.2%) relative to 2007, from 209,201 to 171,225.
- *Stable Utilization Trend*: Claims per enrolled cardholder during January-June of 2008 were 2.8% higher than the average for the same period in 2007 (18.3 vs. 17.8). However, utilization decreased to 17.9 claims per enrollee during the second half of the year, a 5.8% decline from the corresponding average of 19.0 claims observed for July-December 2007. Combining semi-annual periods, annual utilization in 2008 appears very similar to that observed in 2007.
- *Stable Cost per Claim*: Following the implementation of PACE Plus Medicare in 2006, the Program realized savings in both 2007 and 2008 through avoided costs. During 2008, cost measures remained largely stable when compared with 2007 values, although some variability across semi-annual periods is apparent. At \$23.25, the average state share per claim for January-June 2008 was 3.6% higher than the January-June 2007 average of \$22.44. In July-December 2008, the state share increased to \$26.43, but was 6.9% lower than the July-December 2007 average of \$28.38. Combining semi-annual periods, average claim costs for 2008 are similar to those seen in 2007.

## **ENROLLMENT, UTILIZATION, and EXPENDITURES (CONTINUED)**

PACENET: Total PACENET expenditures increased by 9.3% between 2007 and 2008. The combination of the following factors contributed to the observed PACENET expenditure trend.

- *Increase in Enrollment*: The number of PACENET enrolled cardholders in 2008 increased by 9.5% relative to 2007, from 173,555 to 190,000. This increase in enrollment appears to be the major factor behind the observed PACENET expenditure increase.
- *Continued PACE Plus Medicare Savings*: Although PACENET expenditures increased in 2008 due to increased PACENET enrollment, savings attributable to Medicare Part D helped to suppress the expenditure increase. During 2008, 73,112 PACENET cardholders were assigned to five partner plans by the Program. A total of 146,973 PACENET cardholders (77% of all PACENET enrolled) participated in Medicare Part D during 2008, either as a result of Program assignment or through other enrollment.
- *Slight Increase in Utilization*: The average number of claims (deductible and copaid) per enrolled PACENET cardholder during January-June 2008 was 4.3% higher than that observed during January-June 2007 (16.8 vs. 16.1). Although utilization remained stable between the first and second halves of 2008 (16.8 vs. 16.9 claims per enrolled cardholder), overall utilization for 2008 was slightly higher than for 2007.
- *Slight Decrease in Cost per Claim*: Cost per claim rose from \$22.46 during January-June 2007 to \$23.07 during January-June 2008, an increase of 2.7%. However, cost per claim during July-December 2008 was 8.2% lower than that observed during July-December 2008 (\$29.21 vs. \$31.81.) When the semi-annual periods were combined, a slight decline in cost per claim between 2007 and 2008 became apparent.

## **MAGNITUDE OF NEED**

The magnitude of enrollee need for assistance is profound. A close examination of the distribution of the PACE annual benefit reveals that 12.3% of PACE enrollees (21,001) received coverage valued between \$2,000 and \$5,000. An additional 3,497 older persons, 2.0% of enrollees, utilized \$5,000 or more in benefits that were paid by PACE.

## **DEPTH AND BREADTH OF THE BENEFIT**

The Program reaches across all Commonwealth counties. Cardholders and pharmacy providers in large and small counties are well represented. Statewide, 3,042 pharmacy providers received the benefit of increased business, reliable payments, stable customer base, and rapid Program response.

## **MEDICATIONS USED**

The medications used reflect the chronic disease burden experienced by many elderly. Over 83% of PACE enrollees utilized one or more cardiovascular drugs, accounting for 35% of all claims and 25% of expenditures. Other frequently used classes include gastrointestinal agents (12.9%), hormones and synthetic substances (10.3%), autonomic system drugs (6.5%), and psychotherapeutic agents (5.4%).

## **ENSURING SAFE MEDICATION USE**

Since 1992, PACE has maintained an exemplary prospective drug utilization review (ProDUR) program. ProDUR assists the Program, physicians, and pharmacists in attaining the common goal of ensuring safe and effective use of medications by this special population – older Pennsylvanians. Prior to dispensing medications, the review checks for safety issues related to dosage, duplicative therapy, drug interactions, and other potential problems. The Program's medical exception process relies upon communication with physicians regarding individual patient needs.

## **OUTCOMES RESEARCH**

In 2008, researchers using Program data published and presented topics related to medication adherence, falls, adverse drug reactions, and medication safety.

## FREQUENTLY REQUESTED PROGRAM STATISTICS

The table below provides frequently requested Program information.

	PACE	PACENET
<b>DEMOGRAPHIC DATA</b>		
Total enrolled for 2007	171,225	190,000
% Participating	82.4%	79.6%
Avg. age for enrolled	79.4 yrs.	77.9 yrs.
Female, avg. age	80.0 yrs.	78.2 yrs.
Male, avg. age	77.0 yrs.	77.3 yrs.
% Female	80.2%	66.4%
% Own residence	54.1%	69.8%
% Rent	27.1%	18.5%
% Married	12.0%	41.0%
Avg. Income	\$11,621	\$21,280
% Cardholders in urban counties	42.0%	37.5%
% Cardholders in rural counties	12.9%	13.6%
<b>BENEFIT DATA</b>		
Avg. state share per enrolled cardholder	\$854	\$831
Avg. state share per participant	\$1,036	\$1,045
Avg. state share per copaid claim	\$24.81	\$30.00
2007 percent change in state share per copaid claim	2.1% decrease	10.5% increase
Avg. cardholder share per claim	\$5.72	\$11.38
Avg. claims per participant	41.7	39.9
Avg. number of therapeutic classes per participant	5.7	5.6
<b>UTILIZATION DATA (by date of payment)</b>		
Total claims	5,915,162	5,955,957
Avg. claims per enrolled cardholder	34.5	31.3
Avg. deductible claims per cardholder	-	8.7
Avg. copaid claims per cardholder	-	22.6
Generic utilization rate	63.5%	62.8%
<b>PAYMENT DATA</b>		
Total Program payout	\$146.36 M	\$157.53 M
Avg. weekly Program payout	\$2.81 M	\$3.03 M
Avg. annual Program payout per pharmacy	\$48,113	\$51,786
% Program payout to chain pharmacies	56.8%	57.7%



## **PENNSYLVANIA PHARMACEUTICAL ASSISTANCE CONTRACT FOR THE ELDERLY**

### **History**

The Pharmaceutical Assistance Contract for the Elderly (PACE) Program was enacted in November 1983, and implemented on July 1, 1984. Its purpose is to assist qualified state residents who are 65 years of age or older in paying for their prescription medications. The PACE legislation was amended in 1987 for reauthorization and, in 1992, for the manufacturers' rebate reauthorization and additional cost containment initiatives. The legislature expanded income eligibility for PACE on four occasions: 1985, 1991, 1996, and 2003. The 1996 legislation also created the PACE Needs Enhancement Tier (PACENET). In July 2001, Act 2001-77, the Pennsylvania Master Tobacco Settlement, increased PACENET income eligibility by \$1,000. Recognizing that the nominal increases in Social Security income were making enrollees ineligible for PACE, the legislature also created a limited PACE moratorium, effective January 1, 2001, until December 31, 2002, which permitted enrollees to remain in benefit even though their incomes exceeded the eligibility limits. Late in 2002, Act 2002-149 extended the moratorium for the PACE enrollment and expanded it to include the PACENET enrollment as well. While this moratorium expired on December 31, 2003, cardholders who were enrolled prior to the expiration, and had their eligibility periods extending into 2004, were permitted to remain in the Program until their eligibility end date.

In November 2003, Act 2003-37 enabled an unprecedented expansion for enrollment eligibility in the Programs, modified the \$500 annual PACENET deductible, and changed the PACE copay structure. The legislation raised the income limits for PACE to \$14,500 for individuals and \$17,700 for married couples; it boosted the income cap for PACENET to \$23,500 for single persons and to \$31,500 for married couples. With a \$480 deductible divided into monthly \$40 amounts, PACENET paid benefits after the first \$40 in prescription costs each month. Beginning in 2004, PACE and PACENET had a two-tiered prescription copayment structure. The PACE copayment became \$6 for generic drugs and \$9 for brand name products. The PACENET copayment remained at the original amounts of \$8 for generics and \$15 for brand name drugs. Act 37 required both Programs to adjust the copayments to reflect increasing drug prices over time.

Act 37 instituted federal upper limits (FUL) in the provider reimbursement formula and raised the dispensing fee fifty cents. The Program began to reimburse pharmacies the lesser of three prices: the Average Wholesale Price (AWP) minus 10%, plus a \$4.00 dispensing fee; the Usual and Customary charge to the cash-paying public; or, the most current FUL established in the Medicaid program, plus a \$4.00 dispensing fee. All payment methods include the subtraction of the cardholder's copayment.

The federal Medicare Prescription Drug, Improvement, and Modernization Act (MMA) of 2003 created a new outpatient prescription drug benefit, Part D of Medicare. Prior to the full implementation of Medicare Part D and beginning in June 2004, low income, non-HMO, PACE enrollees (134,393 cardholders over 18 months) were auto-enrolled into the interim Medicare Drug Discount Card and Transitional Assistance Program. They received a discount card that allowed for \$600 per year in drug expenses in 2004 and again in 2005. Additional cardholders, estimated at 30,000, received this assistance through cards issued by their HMO. The PACE Program covered the Medicare drug card copayments for the auto-enrolled cardholders. The Medicare Transitional Assistance Program was a source of significant drug coverage for cardholders, with known savings in Program benefit payments of \$112 million for the auto-enrolled cardholders.

The Medicare Part D drug benefit began in January 2006. The PACE Program elected to be a qualified State Pharmacy Assistance Program which, along with the passage of state Act 111 in July 2006, allowed for the creation of PACE Plus Medicare. The successful launch of PACE Plus Medicare on September 1, 2006, saw thousands of cardholders take advantage of the features of both PACE and Medicare Part D. With the goal of providing seamless coverage, PACE Plus Medicare fills the coverage gaps encountered by cardholders in Medicare Part D, including deductibles, the doughnut hole phase, drugs excluded under MMA, drugs not in a plan's formulary, and copayment differentials between the Part D plan coverage and the PACE and PACENET copayments. PACE Plus pays the Medicare premiums for Part D coverage for PACE cardholders. Act 111 also eliminated the monthly deductible for PACENET cardholders. PACENET cardholders who choose to forego Part D coverage are now responsible for a monthly benchmark premium payment (\$32.59 in 2006; \$28.45 in 2007; \$26.59 in 2008; and, \$29.23 in 2009) to the Program. The benchmark premium payment remains lower than the prior \$40 per month deductible for the Program.

Act 111 recreated the PACE and PACENET moratoriums thereby permitting some 14,000 seniors to maintain their PACE or PACENET status despite disqualifying increases in their overall income due to Social Security cost-of-living increases. The PACE moratorium expired at the end of 2006; the PACENET moratorium continued through 2007. The Act revised provider reimbursement by adjusting the Average Wholesale Price formula from AWP minus 10% to AWP minus 12%, plus a \$4.00 dispensing fee.

Act 69 of 2008 recreated the PACE and PACENET moratoriums, thereby permitting seniors to maintain their Program enrollment in 2009 and 2010 despite disqualifying increases in their overall 2008 income due to Social Security cost-of-living increases.

PACE covers all medications requiring a prescription in the Commonwealth, as well as insulin, insulin syringes, and insulin needles, unless a manufacturer does not participate in the Manufacturers' Rebate Program. PACE does not cover experimental medications, medications for hair-loss or wrinkles, or any medication that can be purchased without a prescription. With appropriate documentation, PACE covers Drug Efficacy Study Implementation (DESI) medications. PACE requires generic substitution of brand multi-source products when an approved, Food and Drug Administration (FDA) A-rated generic is available. At the time of dispensing, a cardholder may encounter a prospective drug utilization review edit; PACE will not reimburse the prescription unless the pharmacist or physician documents the medical necessity for it. The Department of Aging recognizes the possibility of exceptional circumstances in connection with the application of therapeutic criteria and reimbursement edits. Appendix A contains a description of the PACE/PACENET medical exception process.

With the advent of PACE Plus, cardholders enrolled in Part D plans conform to the reimbursement limits established by the plans, some of which allow up to a ninety-day supply. Otherwise, cardholders not enrolled in a Part D Plan receive a thirty-day supply or 100 units (tablets or capsules), whichever is less. The Program guarantees reimbursement to the provider within 21 days, paying interest on any unpaid balance after 21 days. Six types of providers dispense PACE/PACENET-funded prescriptions to cardholders. The majority of providers are either independent pharmacies or chain pharmacies. Other provider types include institutional pharmacies, nursing home pharmacies, mail order pharmacies, and dispensing physicians. All providers may offer mail order services if they are enrolled as a mail order pharmacy and if they follow specialized program requirements pertaining to record keeping and cardholder verification procedures.

Manufacturers for innovator products pay the Program a rebate similar to the federal “best price” Medicaid rebate. Generic manufacturers pay an 11% rebate based on the average manufacturer price. An inflation penalty applies to innovator products if annual price increases exceed the consumer price index. The inflation penalty rebate was discontinued for generic products at the end of 2006.

### **Administration**

The Pennsylvania Department of Aging administers the PACE/PACENET Program. A contractor directly responsible to the Department assists in conducting many of the day-to-day operations. Four primary operation responsibilities of the Program are to process applications, reimburse providers for prescriptions, protect enrollees from adverse drug events, and obtain the most cost-efficient reimbursement possible for the Program. Administrative responsibilities include research and policy development, monitoring and evaluation operations and ensuring that the mandates of the Act and Program regulations are met. Activities in these areas include conducting audits of not only the providers, but also of the cardholders and the contracting agency. The Program routinely reviews medication utilization profiles of the cardholders and dispensing practices of the providers and physicians. The Department also evaluates the procedures used to implement the Program, identifies any trends which may be relevant for future administration, and carefully scrutinizes all expenditures.

The Department of Aging receives funds through restricted revenue accounts to serve as the administrative and fiscal agent for other Commonwealth-sponsored drug reimbursement programs. Pharmaceutical claims for the Chronic Renal Disease Program, Cystic Fibrosis Program, Spina Bifida Program, Metabolic Conditions Program, including Maple Syrup Urine Disease Program and the Phenylketonuria Program (all within the Department of Health), State Workers’ Insurance Fund (Department of Labor and Industry), the Lorazepam and Chlorazepate Assistance Program, and the Special Pharmaceutical Benefits Program (Department of Public Welfare) are processed through the PACE/PACENET system. The PACE Program serves as the fiscal agent for the General Assistance Program (Department of Public Welfare), the Special Pharmaceutical Assistance Program, and the Chronic Renal Disease Program for the collection of rebates from pharmaceutical manufacturers.





# **SECTION 1**

# **PROGRAM RESEARCH HIGHLIGHTS**





## **HIGHLIGHTS OF CURRENT PACE/PACENET COLLABORATIVE RESEARCH AND EVALUATION PROJECTS (March 2009)**

Since the mid-1980s, the PACE/PACENET Program has engaged in a variety of outcomes research endeavors, usually in collaboration with university research centers and medical schools. These highlights represent current efforts that resulted in noteworthy products or achieved a significant milestone in 2007 and 2008. Several are multi-year projects. Updates are available from the Program.

### **BALANCED DATA ABOUT MEDICATIONS FOR PENNSYLVANIA PHYSICIANS (The PACE Program and the Division of Pharmacoepidemiology and Pharmacoeconomics of the Brigham and Women's Hospital/Harvard Medical School)**

The Commonwealth of Pennsylvania spends about \$2.5 billion annually reimbursing medications for over two million residents. These individuals, many of whom have multiple chronic conditions requiring maintenance medication, are enrolled in a dozen different programs that typically provide prescription drug coverage with nominal beneficiary cost sharing. The programs have noticed a persistent and disturbing problem of inappropriate prescribing and misutilization of medications, particularly in the PACE program. Drug utilization reviews and point-of-sale edits have achieved measurable success. As a complement to these interventions, the PACE Program conducts proactive academic detailing, the Independent Drug Information Service (iDiS), which has no ties to any pharmaceutical company.

Based upon an accurate, up-to-date synthesis of relevant drug information, academic detailing is an innovative method of service-oriented outreach education. Doctors need a source of current data about the comparative effectiveness, safety, tolerability, and cost of prescription drugs. Drug representatives visit physician offices and deliver marketing materials. The information is designed with commercial objectives in mind, regardless of whether more effective, safer or less expensive therapies exist. Academic detailing combines the one-on-one communication approach of industry drug detailers with the evidence-based, noncommercial information of academia. Academic detailing has been utilized in Australia, Canada, the United Kingdom, and the Netherlands to assist in making optimal prescribing decisions. In 2005, the PACE Program launched the first large-scale state academic detailing program in the United States.

Physicians and pharmacoepidemiologists on the faculty of Harvard Medical School evaluate medical journals and data sources to pull together the best available, objective information about drugs used in primary care. They synthesize it into concise, clinically relevant summary documents, decision-making tools, and patient education materials. In many cases, the most appropriate therapeutic options are those with long-term safety/risk profiles that demonstrate benefit at relatively lower risk, and because they have been on the market longer, they are often available as affordable generics. But academic detailing is not simply about prescribing generics.

Academic detailing helps physicians make appropriate clinical decisions based on safety, efficacy, and cost-effectiveness. The Department of Aging funds academic detailing for about \$1 million per year, compared to PACE prescription benefits of \$724 million in 2007. It fields ten independent drug consultants in the 28 most populous counties. Four drug classes with contemporary concerns are chosen per year as topics, including non-steroidal anti-inflammatory drugs, cox-2 inhibitors, gastrointestinal medications, anti-platelet therapy, lipid lowering drugs, antihypertensives, type 2 diabetes management and antidepressants. To date, nearly 4,000 encounters have been completed with over 1,000 unique physicians. One in four modules results in a completed CME.

Evaluation results from the cox-2 inhibitor module measured a reduction in utilization of \$60 per physician per month at 6 months after the iDiS visit. With the gastrointestinal module, a significant reduction in overuse, as well as a corresponding dollar savings, was seen with a mean of \$378 less of PPI use per doctor per month when compared to external controls. Estimates for a year of savings reached \$572,000 for this module. Because drug use covered by academic detailing represents a much larger proportion of Commonwealth-funded use than the PACE Program alone, savings to the Commonwealth appear to exceed the iDiS annual cost. The academic detailing initiative helps physicians to decide which medications to prescribe by arming them with information to select the most effective drug, not necessarily the one with the biggest advertising budget. All iDiS clinical materials are available for non-commercial use at [www.RxFacts.org](http://www.RxFacts.org).

### **MANAGEMENT OF BEHAVIORAL HEALTH DISORDERS AMONG OLDER ADULTS: ADDRESSING EXISTING NEEDS AND SERVICE GAPS (Behavioral Health Laboratory, University of Pennsylvania)**

PACE cardholders are at significant risk for unwelcome health outcomes due to a combination of factors: advanced age, multiple disease states with multiple drug therapies, confusion regarding medication instructions, and inadequate social support. In 2007, a review of antipsychotic and antidepressant medication utilization revealed that approximately 25% of cardholders were not refilling medications prescribed. An additional 15% stopped refills after the second or third month of treatment. This non-adherence prompted the Department of Aging to begin a distinctive intervention.

In 2008, the PACE Program contracted with the Behavioral Health Laboratory (BHL) to implement a three-year program that encourages the proper use of behavioral health medications. Persons receiving antidepressants, antipsychotics, and benzodiazepines are contacted for a brief telephone interview. A Base Component includes a needs assessment and a condition summary. An Enhanced Component allows for follow-up assessments at three months and serves as a platform to disease management with decision support, including triage to specialty services. The intervention encourages the proper use of the medication and assesses how the PACE cardholder is managing the illness, medication, and activities of daily living. The PACE Program will refer 1,500 older adults during the first 18 months. To date, 147 cardholders have completed initial assessments; 102 have consented to participate in the research study. Based upon the needs identified in the assessment, the BHL has made many referrals to community resources and provided substantial psychoeducation to patients with regard to pain management, stress management, sleep hygiene, and managing depressive symptoms.

Depression, anxiety, and dementia, prevalent in later life, lead to significant morbidity and disability, and contribute to increased medical services, nursing home utilization and mortality. Under-diagnosis and under-treatment remain major public health concerns. Studies suggest that integrated care models with frequent patient contact, ongoing monitoring of treatment adherence, assessment of symptomatic outcomes, patient and provider feedback, and modification of treatment when needed, result in greater treatment engagement, and improved outcomes. An integrated strategy engages patients who do not seek out treatment or who have difficulty adhering to treatment. In order to ease the logistical issues of face-to-face contact, the BHL is a flexible telephone-based clinical service that has been effective in improving the management of mental health issues. This program is well suited to provide information and access to resources that enable independent living for longer periods of time.

The Program realized that conducting utilization review with programmable drug criteria captures only the most egregious misutilization and poor compliance. Conducting interventions that address cardholder use of antidepressants, antipsychotics, anxiolytics and sedative hypnotics is more difficult given the probability of encountering a fragile mental state, the complexity surrounding the dosing and product selection, and the need to refer the cardholder back to the primary care physician or to an acute care service in the community.

This intervention does not provide mental health services nor does it replace specialty care or serve as a stand-alone treatment program. The BHL intervention communicates information between the doctor and the cardholder about actual drug use and the need to access community services. It encourages the proper use of the medication and assesses how the PACE cardholder is managing the illness, medication, and activities of daily living. A successful administration of the program should contribute to a reduced rate of nursing home placements among older adults participating in PACE.

### **DEVELOPMENT OF A SCREENER FOR MEDICATION LITERACY PROBLEMS AMONG THE ELDERLY IN PACE/PACENET (The PACE Program and the Medicine, Health, and Aging Project at Penn State University)**

Health literacy is increasingly recognized as an important factor in a wide range of health-related activities, including health promotion and health maintenance. One major component of health literacy is medication literacy, which involves all aspects of dealing with medication therapy, including reading and understanding dosing instructions, understanding warnings about inappropriate usage, recognizing adverse effects of prescriptions, and other aspects of prescription drug use. Low medication literacy may contribute to medication misuse and nonadherence, which can substantially limit the effectiveness of pharmacotherapy.

Although a number of tools have been proposed to measure health literacy, no standardized assessment tools specific to medication literacy currently exist. In 2007, the PACE Program partnered with the Medicine, Health, and Aging Laboratory in the Department of Biobehavioral Health at Penn State University to develop a screening tool that will identify PACE/PACENET cardholders who are at risk for medication problems due to low medication literacy. The goal of this project is to develop a medication literacy screener that can be used by PACE/PACENET to promote appropriate medication therapy, and to detect groups of elderly who may be at high risk for adverse consequences of inappropriate medication use. It is expected that such a screening tool will also be applicable in health care settings to allow physicians, pharmacists, and other primary care health professionals to screen for adults who may have problems in understanding instructions relating to medication use.

The first phase of the research focused on developing a pool of potential screening questions. Candidate questions were identified based on a survey of existing health literacy assessment tools and a thorough analysis of the existing literature on health literacy and medication literacy. Pools of items that assess a broad array of medication-related literacy problems, including, for example, label literacy (understanding dosing instructions), understanding medication warnings (alcohol use, with/without food, etc.) have been developed. During 2008, focus groups were conducted at five Pennsylvania senior centers and independent living facilities. These focus groups helped to further identify medication-taking problems.

The second phase of the research is to construct a draft version of the screener and administer the screener to samples of PACE-enrolled elderly whose drug utilization patterns suggest that they may be nonadherent to one or more of their prescribed medication regimens. This component of the study focuses on elderly who have been prescribed medications to treat diabetes or cardiovascular disease, two conditions for which medication adherence is essential. For both conditions, medication nonadherence may lead to increased rates of hospitalization, morbidity, and mortality, as well as increased health care costs. This phase of the research is currently in progress.

### **AN EVALUATION OF THE IMPACT OF PACE PLUS MEDICARE ON HEALTH, HEALTH SERVICES UTILIZATION, AND QUALITY OF LIFE OF ELDERLY PENNSYLVANIANS (The PACE Program and the Medicine, Health, and Aging Project at Penn State University)**

PACE/PACENET has served over one million elderly since the Program's inception in 1984. Although there is little doubt that PACE/PACENET has made a difference in many individuals' lives, no formal and comprehensive evaluation of the impact of the Program on health status and health care costs has been conducted to date, and no evaluation has been done for the enhanced PACE Plus Medicare Program. In 2007, the PACE Program contracted with the Medicine, Health, and Aging Laboratory in the Department of Biobehavioral Health at Penn State University to conduct research on the impact of PACE Plus Medicare on the health, health services utilization, and quality of life of elderly Pennsylvanians enrolled in PACE/PACENET.

The research study is being conducted in two broad phases. The first project component is a cross-sectional study to evaluate the impact of PACE Plus Medicare benefits on self-reported health status and quality of life, and to assess the economic and psychosocial impact of drug coverage. This component of the Project is being accomplished through telephone surveys of PACE/PACENET enrolled cardholders and a comparison sample of elderly in Michigan who are similar to PACE/PACENET elderly in terms of age and income, but who do not have the benefit of a program analogous to PACE/PACENET. Following a pilot study which identified key areas of survey content, more than 3,000 telephone survey interviews of PACE and Michigan elderly were conducted. Analyses of the survey data are currently in progress.

The second phase of the Project will be accomplished through examination of PACE/PACENET drug utilization files and Medicare data on health care utilization. By linking PACE/PACENET data with Medicare data, this project component will provide important information about health services utilization and costs in the PACE and PACENET programs. Additional areas of analysis will focus on dynamic relationships involving enrollment, disenrollment, drug utilization, and costs, especially within the context of historical changes in the PACE and PACENET Programs. This component of the study is expected to yield important information about how program design elements such as copayments, deductibles, and other features affect utilization and program costs.

### **PACE/PACENET SURVEY ON HEALTH AND WELL-BEING (First Health Services Corporation/The PACE Program)**

Understanding the health status and health needs of cardholders enrolled in PACE and PACENET is an integral component of PACE's research and evaluation component. A two-page optional *Survey on Health and Well-Being* is therefore included with all new PACE/PACENET enrollment application forms. In addition to its inclusion as part of the new application form, the survey is also mailed

annually to cardholders who have ongoing PACE coverage. The survey invitation materials include assurances that participation is optional and will not affect PACE/PACENET benefits, and also provide assurances regarding the confidentiality of all responses. The survey addresses a number of important health domains, including educational background, self-rated health, major health impairments, limitations in activities of daily living, and satisfaction with the benefits offered by PACE/PACENET.

During 2006, the combined survey response rate among new and continuing cardholders was 54%. One important finding of the survey was that many PACE and PACENET cardholders appear to have had limited educational opportunities. Nearly 40% of respondents indicated that they had not completed high school, and 17% of all respondents reported that they had only gone to school through the eighth grade. Obtaining information on education helps the Program to ensure that cardholder application materials and other communications are written at appropriate reading levels.

In the 2006 Health and Well-Being Survey, most respondents reported high levels of satisfaction with PACE/PACENET. Among cardholders who were enrolled in PACE at the time they completed the survey, over 94% reported that they were either “extremely” or “quite a bit” satisfied that PACE had served to improve their quality of life. Another 5% stated that they were either “moderately” or “somewhat” satisfied. Less than one percent of currently-enrolled PACE cardholders stated that they were not satisfied with PACE. Among PACENET-enrolled cardholders, 78% stated that they were either “extremely” or “quite a bit” satisfied that PACENET had improved their quality of life, 20% reported that they were “moderately” or “somewhat” satisfied, and 2% responded that they were not satisfied. These results suggest high levels of cardholder satisfaction with both the PACE and PACENET programs.

### **DIFFERENTIAL EFFECTS OF LONG- AND SHORT-ACTING OPIOIDS ON INCIDENT FALL RISK (First Health Services Corporation/The PACE Program and the Pennsylvania State University, Department of Biobehavioral Health)**

Many elderly experience reduced quality of life due to debilitating pain, and effective pain management represents a significant clinical challenge. Opioids offer substantial pain reduction, but prior research suggests that their generalized CNS effects may increase risk for adverse events such as falls. However, little is known about the time-course of risk or differences among opioids. The goal of this study was to examine the time-course of fall risk following initiation of long- and short-acting opioids. Subjects included 66,045 elderly who were enrolled in PACE/PACENET during 2002. Prescription records were linked with inpatient, outpatient, and physician/supplier Medicare claims. Cox proportional hazards survival analysis was used to examine associations between time-varying medication measures and incident falls, while controlling for demographic and health factors. Overall, 27.6 percent of participants used opioids during the one-year study. The majority (71.8%) of opioid users used only short-acting therapies. For all opioids, risk was greatest during the first month of use--after 30 days, continuing users had no greater risk than non-users. Cox survival models showed that initiation of any opioid was associated with increased fall risk, but risk was highest with short-acting opioid initiation. These findings suggest that long-acting opioids do not appear to pose greater fall risk--and may pose less risk--than short-acting forms. These results appear to support clinical guidelines that advocate long-acting opioids for chronic pain. Prescribers should be aware, however, that fall risk is heightened during the initiation phase of any opioid therapy. Results of this study were presented at the 2008 Annual Scientific Meeting of the Gerontological Society of America.

**ADVERSE DRUG EVENTS DURING THE INITIATION PHASE OF ANTIDEPRESSANT (First Health Services Corporation/The PACE Program and the Pennsylvania State University, Department of Biobehavioral Health)**

Previous research has established that the elderly may be at greater risk for adverse drug events (ADEs) associated with antidepressant use. However, few studies have examined temporal gradients in risk following therapy initiation. The goal of this study was to evaluate ADE risk according to recency of antidepressant initiation, and to examine risk differences among antidepressant subclasses. Study participants included 58,327 PACE/PACENET elderly who completed a mail survey in 2000. Survey data on health behaviors were linked with pharmacy claims and Medicare data. ADEs were identified from ICD-9-CM diagnoses recorded on Medicare inpatient, outpatient, and carrier claims. Cox proportional hazards survival analysis with time-varying covariates was used to examine associations between antidepressant use and time until ADE, while controlling for comorbidity and other factors.

Of the 11,678 elderly who used antidepressants in the year following the survey, 3,238 were new antidepressant users. Established antidepressant users who continued therapy appeared to have no higher ADE risk than non-users. However, new antidepressant users (<30 days since initiation) were more than four times as likely as non-users to experience ADEs. Analyses which focused on antidepressant subclass differences found significantly elevated ADE risk with new use of SSRIs, serotonin modulators, and bupropion, but not with heterocyclic antidepressants or SNRIs. These results suggest that new antidepressant users experience greater risk for adverse drug events, and that risk varies according to antidepressant subclass. These results were presented at the 2008 Annual Scientific Meeting of the Gerontological Society of America.

**SELF-REPORTED MEDICATION UNDER-UTILIZATION AND MORTALITY AMONG THE ELDERLY (First Health Services Corporation/The PACE Program and the Pennsylvania State University, Department of Biobehavioral Health)**

It is well-recognized that elderly medication users frequently have difficulty adhering to their prescribed therapies. This study examined the relationship between self-reported medication under-utilization and all-cause mortality among PACE/PACENET elderly who participated in a telephone survey in 1999. Survey data, including five different under-utilization measures, were linked with mortality data from 1999 through 2005. Multivariate logistic regression was used to model the relationship between self-reported under-utilization and all-cause mortality, while controlling for baseline demographic and health-related factors. Factor analyses of five under-utilization measures suggested two distinct underlying factors: "general under-utilization" and "intentional under-utilization." One key finding was that the "general under-utilization" factor score was associated with increased mortality among elderly who used medications for diabetes. However, under-utilization results were mixed among users of several other therapeutic classes. These results suggest that self-reported medication under-utilization is a predictor of increased mortality among elderly with diabetes. These findings were presented at the 2008 Annual Scientific Meeting of the Gerontological Society of America, and will be prepared for publication.

**SYNERGISTIC EFFECTS OF ALCOHOL AND POLYPHARMACY ON FRACTURE RISK (First Health Services Corporation/The PACE Program and the Pennsylvania State University, Department of Biobehavioral Health)**

Due to aging-related changes, the physiological effects of alcohol are generally greater among the elderly. In addition to its direct effects, alcohol may also interact with many medications. Elderly who concomitantly use alcohol and medications may therefore experience greater risk for adverse outcomes such as falls and fractures. The goal of this study was to examine the impact of alcohol and polypharmacy on fracture incidence. Study participants included 55,638 PACE/PACENET elderly who completed a mail survey in 2000. Survey data, including alcohol use measures, were linked with prescription claims and Medicare encounter records. Alcohol intake was categorized according to NIAAA elderly-specific guidelines. Proportional hazards survival analysis was used to model time until fracture as a function of alcohol and medication use, while controlling for comorbidity and demographics. Rothman's synergy index was used to evaluate departures from additivity. In this study, light to moderate alcohol use ( $\leq 30$  drinks/month) was not related to fracture risk. However, heavier intake appeared to increase risk among individuals using more than five medications concurrently (HR=3.56,  $p < .001$ ). The observed synergy index of 6.88 (95% CI=5.00-8.75,  $p < .001$ ) indicates that fracture rates among elderly exposed to both factors were substantially greater than what would be expected with additive effects. The results of this study were presented at the 2008 Annual Scientific Meeting of the Gerontological Society of America.

**RISK FACTORS FOR BLEEDING ON WARFARIN (University of Pennsylvania School of Medicine, Center for Clinical Epidemiology & Biostatistics, Program for the Reduction in Medication Errors)**

Adverse drug events are an important cause of preventable hospitalizations. Few systems exist to monitor drug administration and prevent medication errors for community-dwelling seniors. PACE enrollees were invited to participate in this prospective study to identify patient-reported characteristics of information exchange with physicians, nurses, and pharmacists that subsequently predicted serious bleeding events for older adults on outpatient warfarin therapy. Following consent, 2,370 cardholders completed the baseline telephone interview. Nearly 96% completed the 12-month follow-up interview and 85% completed the 24-month follow-up. The major reason for failure to complete follow-up was death (13.7%). Only 55% of participants reported that they received any medication instructions from a physician or nurse at the time they received their prescription, and 31% reported receiving instructions from both a physician or nurse and a pharmacy. Patients who reported receiving medication instructions from either a physician or a nurse plus a pharmacy had a 60% reduced rate of subsequently experiencing a serious bleeding event over the next 2 years. This reduced risk was independent of age, cognitive function, home living arrangement, and number of medications. Having greater than three physicians prescribing over the last 3 months and filling prescriptions at more than 1 pharmacy over the last 3 months were independently associated with increased bleeding rates. The types of instruction, written or verbal, were associated with risk of bleeding events. Compared to receiving no instructions, patient reports of receiving written instructions alone or written plus verbal instructions were associated with a reduced risk of bleeding events. Patient report of receiving verbal instructions alone was not associated with a reduced risk of bleeding events when compared to no instructions. Results by population characteristics can be found in the *Journal of General Internal Medicine*, 2008.

## **ROSIGLITAZONE VS. PIOGLITAZONE THERAPY (Harvard Medical School, Division of Pharmacoepidemiology and Pharmacoeconomics of the Brigham and Women's Hospital)**

Thiazolidinediones are classified as oral hypoglycemic medications. These medications have expanded the treatment options for diabetes by offering decreased insulin resistance, better glycemic control, and a delayed requirement for insulin treatment when other oral therapies are failing to control the disease. A black box warning was added to both rosiglitazone and pioglitazone with regard to patients with preexisting congestive heart failure. This study tested the differences in cardiovascular outcomes and all-cause mortality in a large cohort of elderly persons with diabetes who were treated with rosiglitazone or pioglitazone. Of the 28,361 cardholders selected, 50.3% began treatment with pioglitazone and 49.7% with rosiglitazone. Baseline characteristics were similar. Cox regression models revealed 15% greater mortality among patients who initiated therapy with rosiglitazone compared to pioglitazone. Use of rosiglitazone was also associated with a 13% greater risk of congestive heart failure. No differences were found in rates of myocardial infarction or stroke. This is the first study specifically aimed at detecting any differences in relative cardiovascular safety between these two drugs in community dwelling elderly patients initiating therapy. Analyses by clinical outcomes are presented in the *Archives of Internal Medicine*, November 2008.

**SECTION 2**

**FINANCIAL  
DATA  
BY DATE OF  
SERVICE**



**TABLE 2.1A  
HISTORICAL CLAIM AND EXPENDITURE DATA FOR PACE ENROLLED AND PARTICIPATING CARDHOLDERS  
BY SEMI-ANNUAL PERIOD BASED ON DATE OF SERVICE  
JANUARY 1991 - DECEMBER 2008**

SEMI-ANNUAL PERIOD	ENROLLED CARDHOLDERS	PARTICIPATING CARDHOLDERS	TOTAL CLAIMS	CLAIMS PER		TOTAL EXPENDITURES	EXPENDITURES		AVERAGE STATE SHARE PER CLAIM
				ENROLLED CARDHOLDER	PARTICIPATING CARDHOLDER		PER ENROLLED CARDHOLDER	PER PARTICIPATING CARDHOLDER	
JAN-JUN 1991	405,358	337,684	5,280,376	13.03	15.64	\$116,074,618	\$286.35	\$343.74	\$21.98
JUL-DEC 1991	394,055	324,574	4,677,159	11.87	14.41	\$109,871,650	\$278.82	\$338.51	\$23.49
JAN-JUN 1992	399,721	326,469	4,656,986	11.65	14.26	\$116,082,506	\$290.41	\$355.57	\$24.93
JUL-DEC 1992	385,103	313,430	4,602,261	11.95	14.68	\$117,081,602	\$304.03	\$373.55	\$25.44
JAN-JUN 1993	376,916	310,438	4,402,171	11.68	14.18	\$113,068,754	\$299.98	\$364.22	\$25.68
JUL-DEC 1993	357,777	296,802	4,456,223	12.46	15.01	\$116,164,381	\$324.68	\$391.39	\$26.07
JAN-JUN 1994	354,819	293,462	4,320,159	12.18	14.72	\$115,413,542	\$325.27	\$393.28	\$26.72
JUL-DEC 1994	340,607	281,465	4,404,257	12.93	15.65	\$119,100,741	\$349.67	\$423.15	\$27.04
JAN-JUN 1995	331,965	277,461	4,383,968	13.21	15.80	\$121,147,211	\$364.94	\$436.63	\$27.63
JUL-DEC 1995	317,719	263,576	4,347,335	13.68	16.49	\$122,158,872	\$384.49	\$463.47	\$28.10
JAN-JUN 1996	306,062	253,283	4,244,190	13.87	16.76	\$120,868,654	\$394.92	\$477.21	\$28.48
JUL-DEC 1996	292,755	238,963	4,204,461	14.36	17.59	\$120,429,840	\$411.37	\$503.97	\$28.64
JAN-JUN 1997	286,126	236,157	4,286,478	14.98	18.15	\$116,732,847	\$407.98	\$494.30	\$27.23
JUL-DEC 1997	276,180	226,806	4,358,892	15.78	19.22	\$123,482,056	\$447.11	\$544.44	\$28.33
JAN-JUN 1998	267,225	222,465	4,235,619	15.85	19.04	\$126,872,548	\$474.78	\$570.30	\$29.95
JUL-DEC 1998	257,009	213,694	4,331,390	16.85	20.27	\$137,146,444	\$533.63	\$641.79	\$31.66
JAN-JUN 1999	246,467	208,992	4,316,588	17.51	20.65	\$142,412,978	\$577.82	\$681.43	\$32.99
JUL-DEC 1999	238,388	200,921	4,450,893	18.67	22.15	\$153,596,648	\$644.31	\$764.46	\$34.51
JAN-JUN 2000	237,017	202,683	4,449,102	18.77	21.95	\$160,615,339	\$677.65	\$792.45	\$36.10
JUL-DEC 2000	230,752	197,777	4,530,829	19.64	22.91	\$169,886,476	\$736.23	\$858.98	\$37.50
JAN-JUN 2001	225,325	197,082	4,558,339	20.23	23.13	\$178,650,979	\$792.86	\$906.48	\$39.19
JUL-DEC 2001	218,576	190,540	4,590,216	21.00	24.09	\$187,820,534	\$859.29	\$985.73	\$40.92
JAN-JUN 2002	216,719	190,131	4,558,000	21.03	23.97	\$194,788,889	\$898.81	\$1,024.50	\$42.74
JUL-DEC 2002	209,737	183,318	4,605,906	21.96	25.13	\$203,591,448	\$970.70	\$1,110.59	\$44.20
JAN-JUN 2003	209,761	182,654	4,552,662	21.70	24.93	\$208,103,630	\$992.10	\$1,139.33	\$45.71
JUL-DEC 2003	207,144	180,460	4,683,173	22.61	25.95	\$221,512,877	\$1,069.37	\$1,227.49	\$47.30
JAN-JUN 2004	215,486	189,762	4,675,699	21.70	24.64	\$209,731,950	\$973.30	\$1,105.24	\$44.86

**TABLE 2.1A**  
**HISTORICAL CLAIM AND EXPENDITURE DATA FOR PACE ENROLLED AND PARTICIPATING CARDHOLDERS**  
**BY SEMI-ANNUAL PERIOD BASED ON DATE OF SERVICE**  
**JANUARY 1991 - DECEMBER 2008**

SEMI-ANNUAL PERIOD	ENROLLED CARDHOLDERS	PARTICIPATING CARDHOLDERS	TOTAL CLAIMS	CLAIMS PER		TOTAL EXPENDITURES	EXPENDITURES		AVERAGE STATE SHARE PER CLAIM
				ENROLLED CARDHOLDER	PARTICIPATING CARDHOLDER		PER ENROLLED CARDHOLDER	PER PARTICIPATING CARDHOLDER	
JUL-DEC 2004	209,237	183,970	4,639,594	22.17	25.22	\$178,165,448	\$851.50	\$968.45	\$38.40
JAN-JUN 2005	209,512	182,450	4,602,802	21.97	25.23	\$166,496,079	\$794.69	\$912.56	\$36.17
JUL-DEC 2005	203,956	177,667	4,628,809	22.70	26.05	\$208,631,707	\$1,022.93	\$1,174.29	\$45.07
JAN-JUN 2006	199,426	172,092	4,482,461	22.48	26.05	\$196,369,222	\$984.67	\$1,141.07	\$43.81
JUL-DEC 2006	194,884	164,174	4,071,755	20.89	24.80	\$126,433,882	\$648.76	\$770.12	\$31.05
JAN-JUN 2007	203,104	167,796	3,619,456	17.82	21.57	\$81,202,595	\$399.81	\$483.94	\$22.44
JUL-DEC 2007	183,839	150,273	3,487,882	18.97	23.21	\$98,984,305	\$538.43	\$658.70	\$28.38
JAN-JUN 2008	164,728	133,656	3,014,596	18.30	22.55	\$70,096,781	\$425.53	\$524.46	\$23.25
JUL-DEC 2008	160,802	125,319	2,878,017	17.90	22.97	\$76,070,500	\$473.07	\$607.01	\$26.43

SOURCE: PDA/CARDHOLDER FILE, CLAIMS HISTORY

NOTES: DATA INCLUDE ORIGINAL, PAID CLAIMS BY DATE OF SERVICE, EXCLUDE PACENET CLAIMS.

ENROLLED CARDHOLDERS ARE THOSE ENROLLED FOR ANY PORTION OF THE REPORTED PERIOD.

PARTICIPATING CARDHOLDERS ARE CARDHOLDERS WITH ONE OR MORE APPROVED CLAIMS DURING THE REPORTED PERIOD.

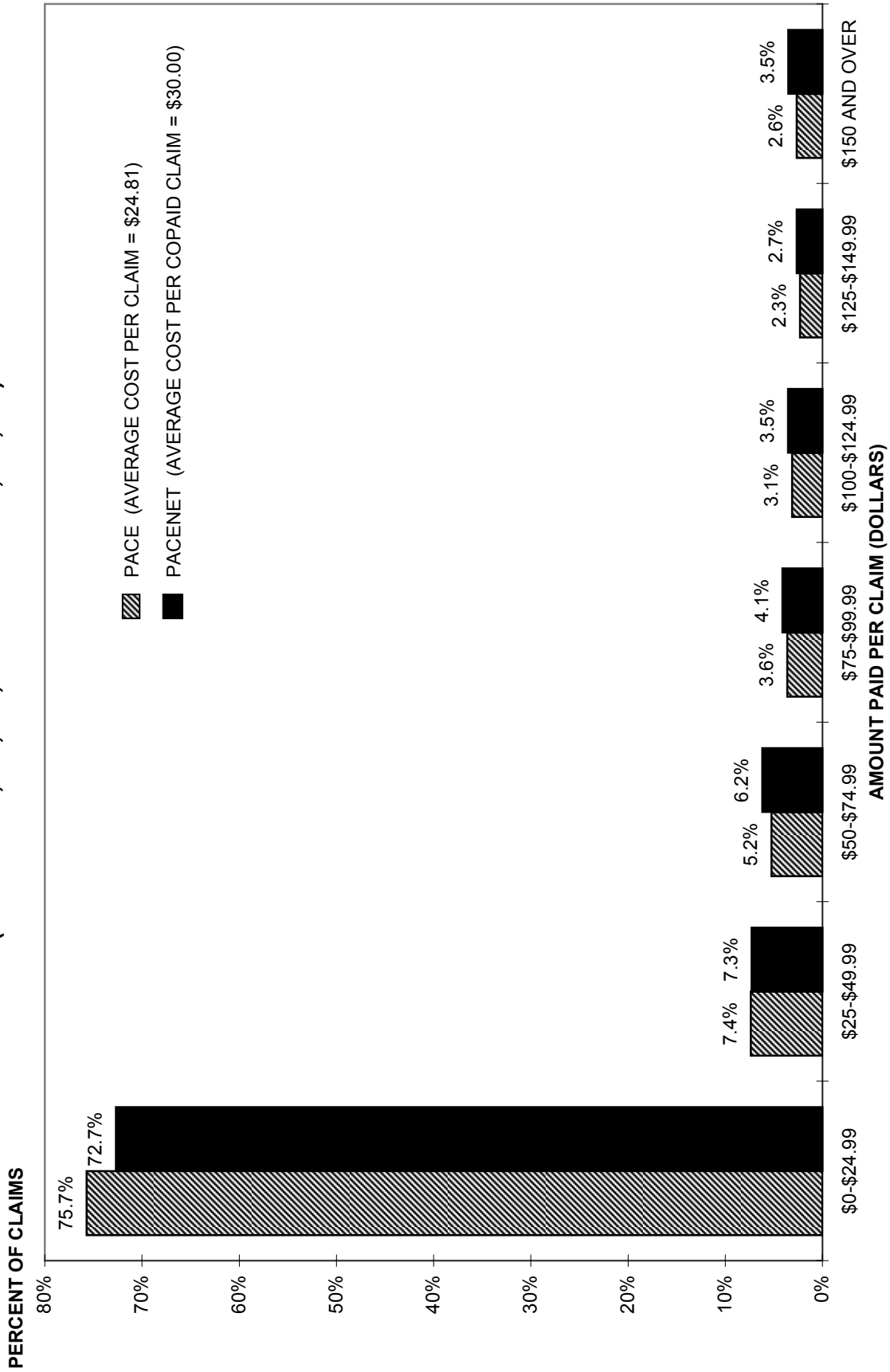
**TABLE 2.1B**  
**HISTORICAL CLAIM AND EXPENDITURE DATA FOR PACENET ENROLLED AND PARTICIPATING CARDHOLDERS**  
**BY SEMI-ANNUAL PERIOD BASED ON DATE OF SERVICE**  
**JULY 1996 - DECEMBER 2008**

SEMI-ANNUAL PERIOD	ENROLLED CARDHOLDERS	PARTICI-PATING CARDHOLDERS	TOTAL CLAIMS	CLAIMS PER		TOTAL EXPENDITURES	EXPENDITURES PER ENROLLED CARDHOLDER	EXPENDITURES PER PARTICIPATING CARDHOLDER	AVERAGE STATE SHARE PER CLAIM
				ENROLLED CARDHOLDER	PATICI-PATING CARDHOLDER				
JUL-DEC 1996	1,523	740	2,331	1.53	3.15	\$823	\$0.54	\$1.11	\$0.35
JAN-JUN 1997	9,063	6,369	75,721	8.35	11.89	\$592,426	\$65.37	\$93.02	\$7.82
JUL-DEC 1997	12,523	9,007	149,187	11.91	16.56	\$2,676,259	\$213.71	\$297.13	\$17.94
JAN-JUN 1998	18,053	12,683	175,085	9.70	13.80	\$2,909,397	\$161.16	\$229.39	\$16.62
JUL-DEC 1998	18,673	13,804	232,846	12.47	16.87	\$4,738,127	\$253.74	\$343.24	\$20.35
JAN-JUN 1999	22,272	16,649	263,010	11.81	15.80	\$5,519,395	\$247.82	\$331.52	\$20.99
JUL-DEC 1999	22,187	16,885	309,280	13.94	18.32	\$7,416,866	\$334.29	\$439.26	\$23.98
JAN-JUN 2000	25,739	19,762	339,481	13.19	17.18	\$8,371,658	\$325.25	\$423.62	\$24.66
JUL-DEC 2000	25,446	19,630	381,074	14.98	19.41	\$10,193,859	\$400.61	\$519.30	\$26.75
JAN-JUN 2001	29,522	22,146	412,077	13.96	18.61	\$11,255,086	\$381.24	\$508.22	\$27.31
JUL-DEC 2001	29,278	23,284	477,954	16.32	20.53	\$13,849,683	\$473.04	\$594.82	\$28.98
JAN-JUN 2002	35,508	27,594	540,878	15.23	19.60	\$16,333,097	\$459.98	\$591.91	\$30.20
JUL-DEC 2002	36,146	28,611	613,528	16.97	21.44	\$20,069,086	\$555.22	\$701.45	\$32.71
JAN-JUN 2003	39,263	31,011	644,800	16.42	20.79	\$21,627,367	\$550.83	\$697.41	\$33.54
JUL-DEC 2003	40,148	31,869	720,687	17.95	22.61	\$25,653,456	\$638.97	\$804.97	\$35.60
JAN-JUN 2004	93,861	72,605	1,305,266	13.91	17.98	\$48,958,319	\$521.60	\$674.31	\$37.51
JUL-DEC 2004	105,018	82,631	1,921,310	18.30	23.25	\$71,800,234	\$683.69	\$868.93	\$37.37
JAN-JUN 2005	123,399	94,979	2,176,264	17.64	22.91	\$81,372,126	\$659.42	\$856.74	\$37.39
JUL-DEC 2005	125,108	99,242	2,450,953	19.59	24.70	\$96,448,835	\$770.92	\$971.86	\$39.35
JAN-JUN 2006	134,715	108,462	2,708,710	20.11	24.97	\$100,473,823	\$745.83	\$926.35	\$37.09
JUL-DEC 2006	141,099	109,867	2,684,515	19.03	24.43	\$77,093,600	\$546.38	\$701.70	\$28.72
JAN-JUN 2007	162,966	127,001	2,630,629	16.14	20.71	\$59,094,943	\$362.62	\$465.31	\$22.46
JUL-DEC 2007	147,627	116,369	2,687,888	18.21	23.10	\$85,506,499	\$579.21	\$734.79	\$31.81
JAN-JUN 2008	176,161	136,910	2,950,988	16.75	21.55	\$68,072,714	\$386.42	\$497.21	\$23.07
JUL-DEC 2008	182,452	137,834	3,078,477	16.87	22.33	\$89,908,365	\$492.78	\$652.29	\$29.21

SOURCE: PDA/CARDHOLDER FILE, CLAIMS HISTORY

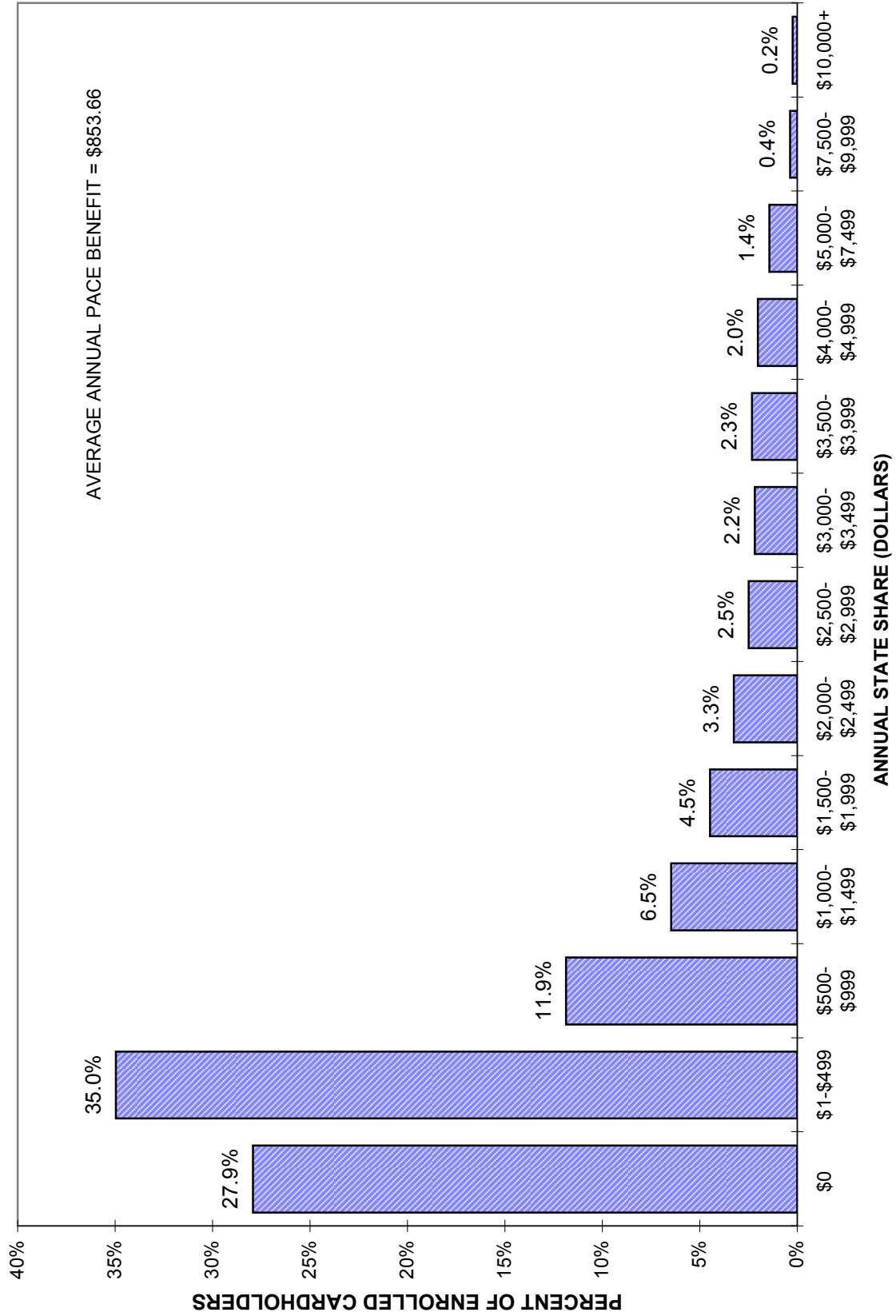
NOTES: DATA INCLUDE ORIGINAL, PAID PACENET CLAIMS BY DATE OF SERVICE. TOTAL CLAIMS INCLUDE DEDUCTIBLE CLAIMS AND COPAID CLAIMS. ENROLLED CARDHOLDERS ARE THOSE ENROLLED FOR ANY PORTION OF THE REPORTED PERIOD. PARTICIPATING CARDHOLDERS ARE CARDHOLDERS WITH ONE OR MORE APPROVED CLAIMS DURING THE REPORTED PERIOD.

**FIGURE 2.1**  
**PACE AND PACENET CLAIM DISTRIBUTION BY AMOUNT PAID PER CLAIM**  
**JANUARY - DECEMBER 2008**  
**(PACE N = 5,892,613; PACENET N = 4,314,204)**



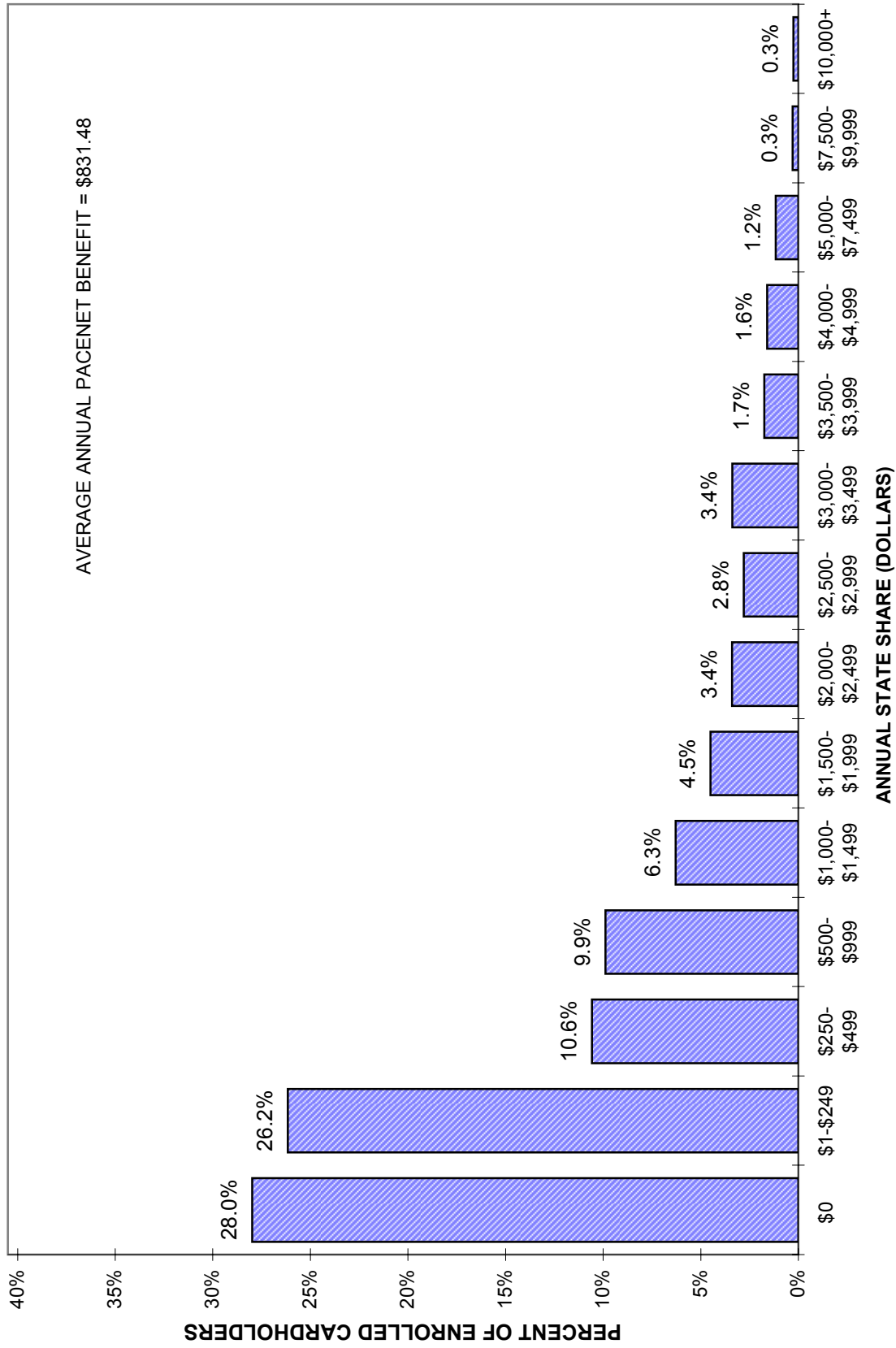
SOURCE: PDA/CLAIMS HISTORY  
 NOTE: DATA INCLUDE ORIGINAL, PAID CLAIMS BY DATE OF SERVICE, EXCLUDE PACENET DEDUCTIBLE CLAIMS.

**FIGURE 2.2**  
**DISTRIBUTION OF PACE ANNUAL BENEFIT**  
**JANUARY - DECEMBER 2008**  
**N = 171,225**



SOURCE: PDA/CLAIMS HISTORY  
 NOTE: DATA INCLUDE ORIGINAL, PAID CLAIMS BY DATE OF SERVICE, EXCLUDE PACENET CLAIMS.

**FIGURE 2.3**  
**DISTRIBUTION OF PACENET ANNUAL BENEFIT**  
**JANUARY - DECEMBER 2008**  
**N = 190,000**



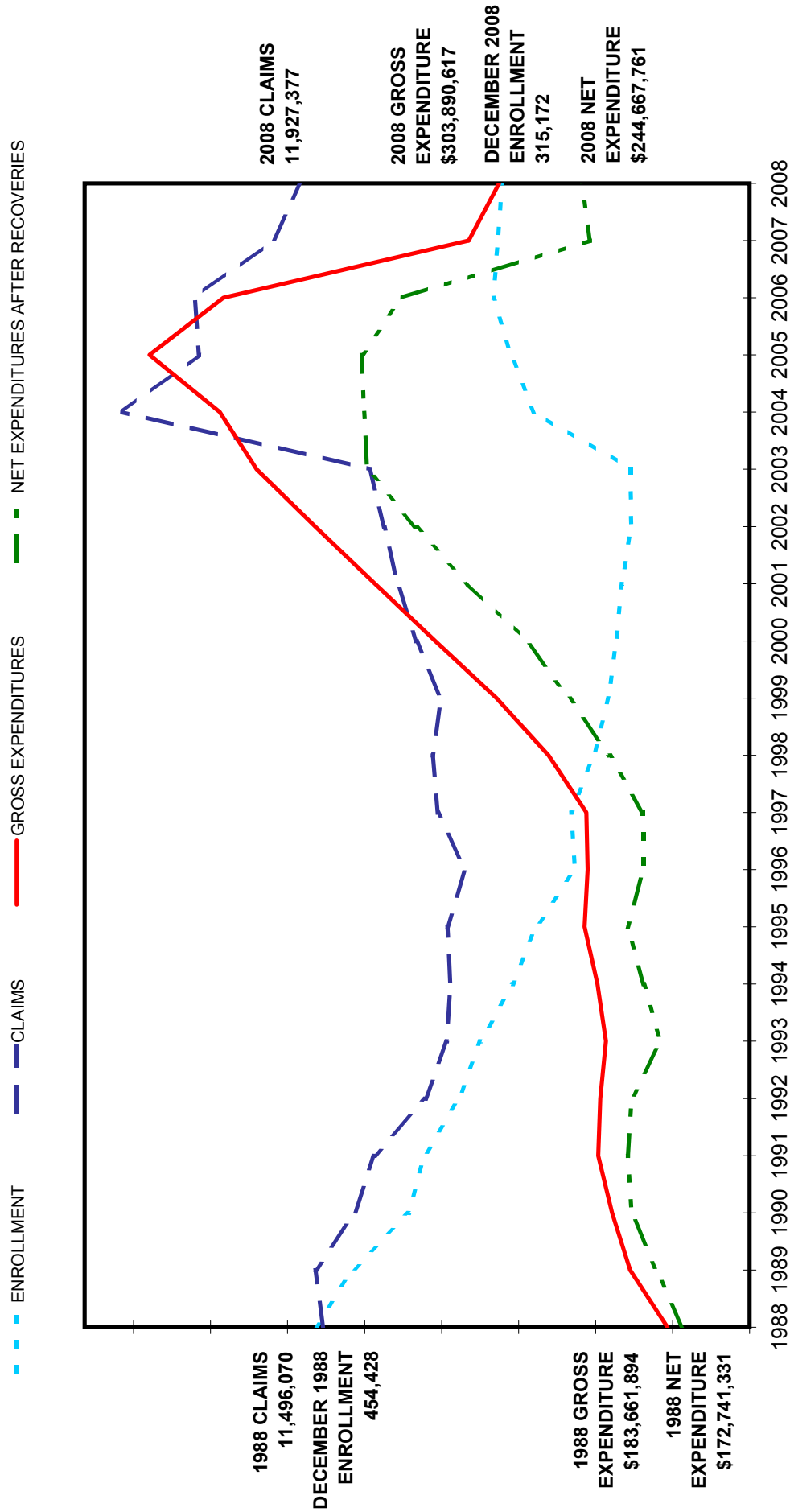
SOURCE: PDA/CLAIMS HISTORY  
 NOTE: DATA INCLUDE PACENET ORIGINAL, PAID CLAIMS BY DATE OF SERVICE, EXCLUDE PACE CLAIMS.

**TABLE 2.2**  
**PACE AND PACENET TOTAL PRESCRIPTION COST, EXPENDITURES, OFFSETS AND RECOVERIES**  
**JANUARY - DECEMBER 2008**

EXPENDITURES, RECOVERIES, OFFSETS	JAN - JUN	JUL - DEC	CY 2008	% OF TOTAL GROSS EXPENDITURES
<b>TOTAL PRESCRIPTION COST</b>	<b>\$ 361,187,930</b>	<b>\$ 364,527,365</b>	<b>\$ 725,715,295</b>	
<b>MEDICARE PART D PREMIUMS</b>	<b>17,854,102</b>	<b>15,922,505</b>	<b>33,776,607</b>	
<b>GROSS CLAIMS/PREMIUMS SUBTOTAL</b>	<b>379,042,032</b>	<b>380,449,870</b>	<b>759,491,902</b>	<b>97.2%</b>
<b>FHS CONTRACT</b>				
<b>OPERATIONS</b>	<b>8,364,537</b>	<b>8,965,362</b>	<b>17,329,899</b>	
<b>SPECIAL CLAIMS</b>	<b>1,552</b>	<b>834</b>	<b>2,386</b>	
<b>GROSS CONTRACT SUBTOTAL</b>	<b>8,366,089</b>	<b>8,966,196</b>	<b>17,332,285</b>	<b>2.2%</b>
<b>PDA ADMINISTRATION</b>				
<b>PERSONNEL</b>	<b>435,143</b>	<b>446,116</b>	<b>881,259</b>	
<b>OPERATIONS</b>	<b>55,695</b>	<b>74,566</b>	<b>130,261</b>	
<b>GROSS PDA ADMIN. SUBTOTAL</b>	<b>490,838</b>	<b>520,682</b>	<b>1,011,520</b>	<b>0.1%</b>
<b>OTHER ADMINISTRATION</b>				
<b>MEDICAL ADVISOR</b>	<b>4,600</b>	<b>3,025</b>	<b>7,625</b>	
<b>THIRD PARTY RECOVERY</b>	<b>162,021</b>	<b>505,729</b>	<b>667,750</b>	
<b>GROSS OTHER ADMIN. SUBTOTAL</b>	<b>166,621</b>	<b>508,754</b>	<b>675,375</b>	<b>0.1%</b>
<b>ENROLLMENT OUTREACH</b>	<b>1,099,119</b>	<b>651,647</b>	<b>1,750,766</b>	<b>0.2%</b>
<b>PROVIDER EDUCATION</b>	<b>805,282</b>	<b>704,391</b>	<b>1,509,673</b>	<b>0.2%</b>
<b>GROSS EXPENDITURES</b>	<b>389,969,981</b>	<b>391,801,540</b>	<b>781,771,521</b>	<b>100.0%</b>
<b>PRESCRIPTION COST OFFSETS</b>				
<b>PART D/OTHER PAYER OFFSETS</b>	<b>(171,581,338)</b>	<b>(148,574,705)</b>	<b>(320,156,043)</b>	<b>-41.0%</b>
<b>CARDHOLDER COPAYMENTS</b>	<b>(51,676,233)</b>	<b>(50,503,453)</b>	<b>(102,179,686)</b>	<b>-13.1%</b>
<b>TOTAL OFFSETS</b>	<b>(223,257,571)</b>	<b>(199,078,158)</b>	<b>(422,335,729)</b>	<b>-54.0%</b>
<b>RECOVERIES</b>				
<b>MANUFACTURER REBATES</b>	<b>(53,669,040)</b>	<b>(31,833,348)</b>	<b>(85,502,388)</b>	
<b>INCOME VERIFICATION / REVENUE MATCH</b>	<b>-</b>	<b>(1,033,549)</b>	<b>(1,033,549)</b>	
<b>ATTORNEY GENERAL COLLECTIONS</b>	<b>(5,044)</b>	<b>(54,698)</b>	<b>(59,742)</b>	
<b>THIRD-PARTY REIMBURSEMENTS</b>	<b>(5,840,421)</b>	<b>(18,397,926)</b>	<b>(24,238,347)</b>	
<b>PACE/MA CONVERSION ADJUSTMENT</b>	<b>(191,085)</b>	<b>(34,267)</b>	<b>(225,352)</b>	
<b>COMBINED RECOVERIES</b>	<b>(59,705,590)</b>	<b>(51,353,788)</b>	<b>(111,059,378)</b>	
<b>PRIOR YEARS' REBATE REFUNDS</b>	<b>5,200,865</b>	<b>303,333</b>	<b>5,504,198</b>	
<b>NET RECOVERIES</b>	<b>(54,504,725)</b>	<b>(51,050,455)</b>	<b>(105,555,180)</b>	<b>-13.5%</b>
<b>NET EXPENDITURES</b>				
<b>STATE SHARE BEFORE RECOVERIES</b>	<b>137,930,359</b>	<b>165,449,207</b>	<b>303,379,566</b>	<b>38.8%</b>
<b>STATE SHARE AFTER RECOVERIES</b>	<b>83,425,634</b>	<b>114,398,752</b>	<b>197,824,386</b>	<b>25.3%</b>
<b>NET STATE SHARE SHARE EXPENDITURES</b>				
<b>AFTER OFFSETS AND RECOVERIES</b>	<b>\$ 112,207,685</b>	<b>\$ 141,672,927</b>	<b>\$ 253,880,612</b>	<b>32.5%</b>

NOTES: TABLE USES SAS201 REPORT FOR PRESCRIPTION COST DISTRIBUTION.  
REBATES (\$85.5 M) ARE 28.2% OF TOTAL STATE SHARE PRESCRIPTION DRUG COST (\$303.4 M).  
TOTAL PRESCRIPTION COST DOES NOT INCLUDE CLAIMS PROCESSED SOLELY BY THIRD PARTY COVERAGE.

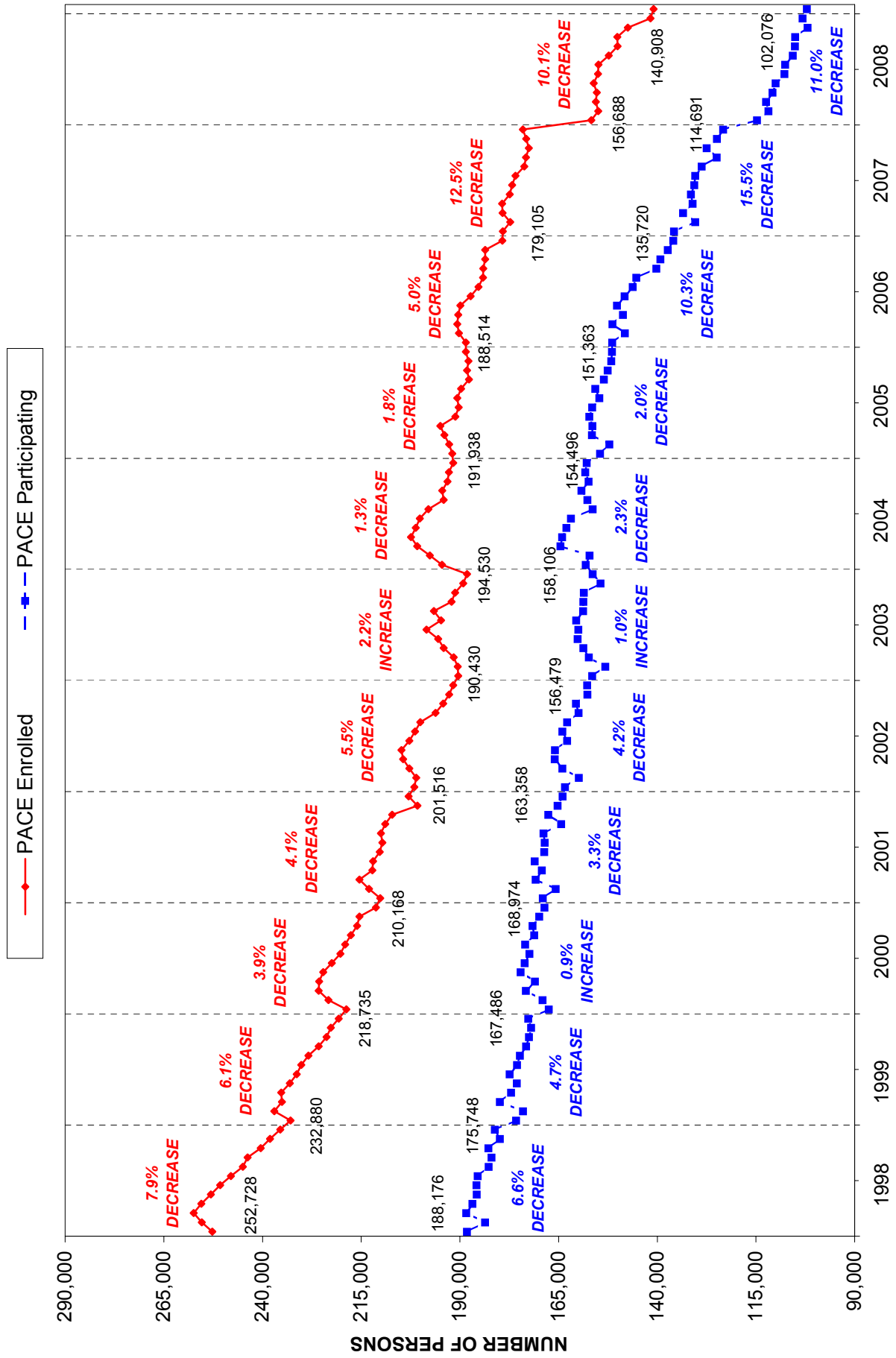
**FIGURE 2.4**  
**PACE AND PACENET ENROLLMENT, CLAIMS, AND CLAIMS EXPENDITURES**  
**BY CALENDAR YEAR**  
**1988-2008**



Source: PACE Biannual Reports, 1988-1995; PACE Annual Reports, 1996-2008

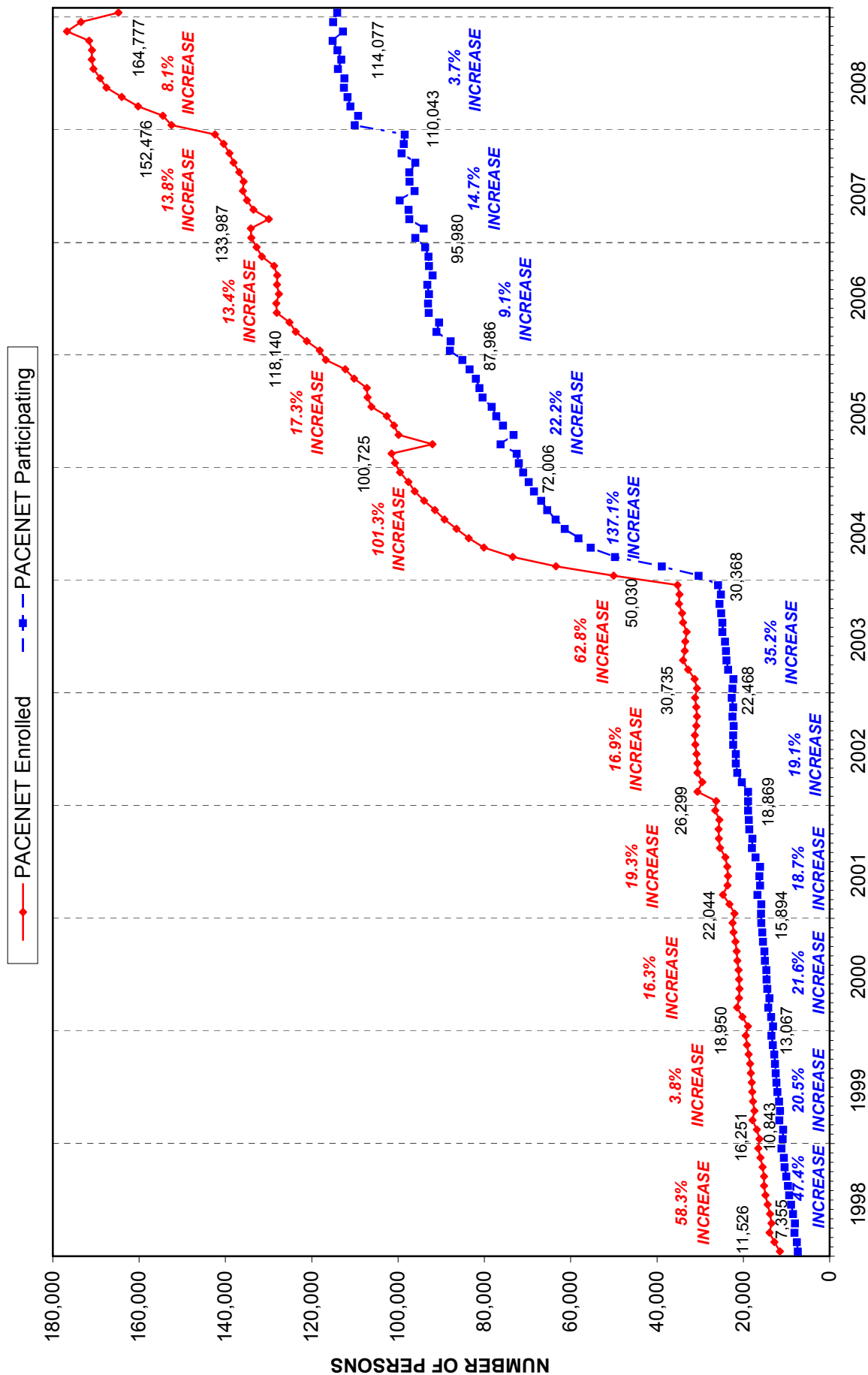
Notes: Enrollment figures represent the number of enrolled cardholders at the end of each reported calendar year.  
 Recoveries include third party payments, manufacturers' rebate, and restitutions.

**FIGURE 2.5A**  
**PACE TOTAL ENROLLED AND PARTICIPATING CARDHOLDERS BY MONTH**  
**JANUARY 1998 - JANUARY 2009**



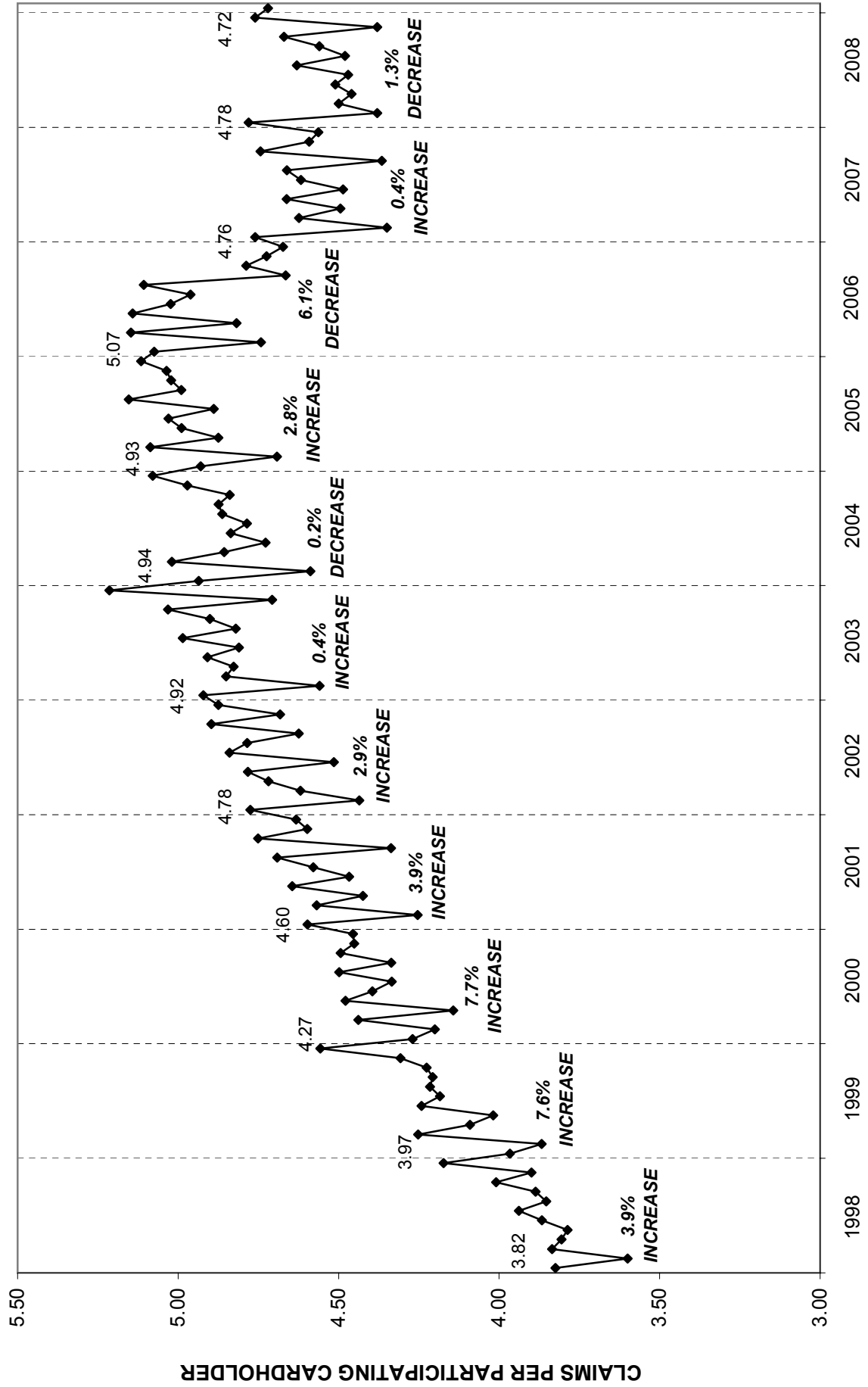
SOURCE: END-OF-MONTH PACE ENROLLED TAKEN FROM MR-0-01A REPORT, PARTICIPATING TAKEN FROM CLAIMS HISTORY BASED ON DATE OF SERVICE

**FIGURE 2.5B**  
**PACENET TOTAL ENROLLED AND PARTICIPATING CARDHOLDERS BY MONTH**  
**JANUARY 1998 - JANUARY 2009**



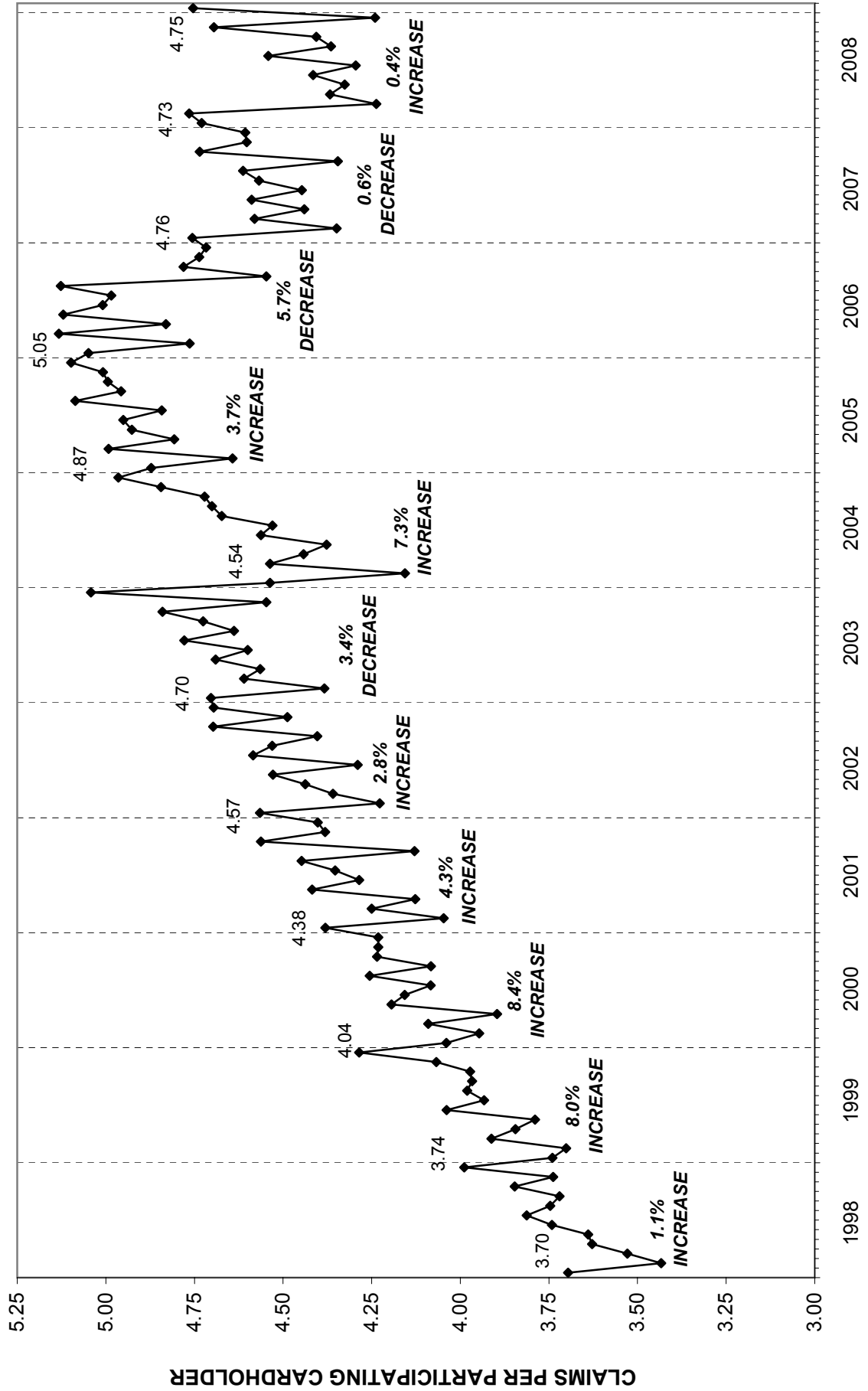
SOURCE: END-OF-MONTH PACE ENROLLED TAKEN FROM MR-0-01A REPORT, PARTICIPATING TAKEN FROM CLAIMS HISTORY BASED ON DATE OF SERVICE

**FIGURE 2.6A**  
**AVERAGE PRESCRIPTIONS PER PARTICIPATING PACE CARDHOLDER BY MONTH**  
**JANUARY 1998 - JANUARY 2009**



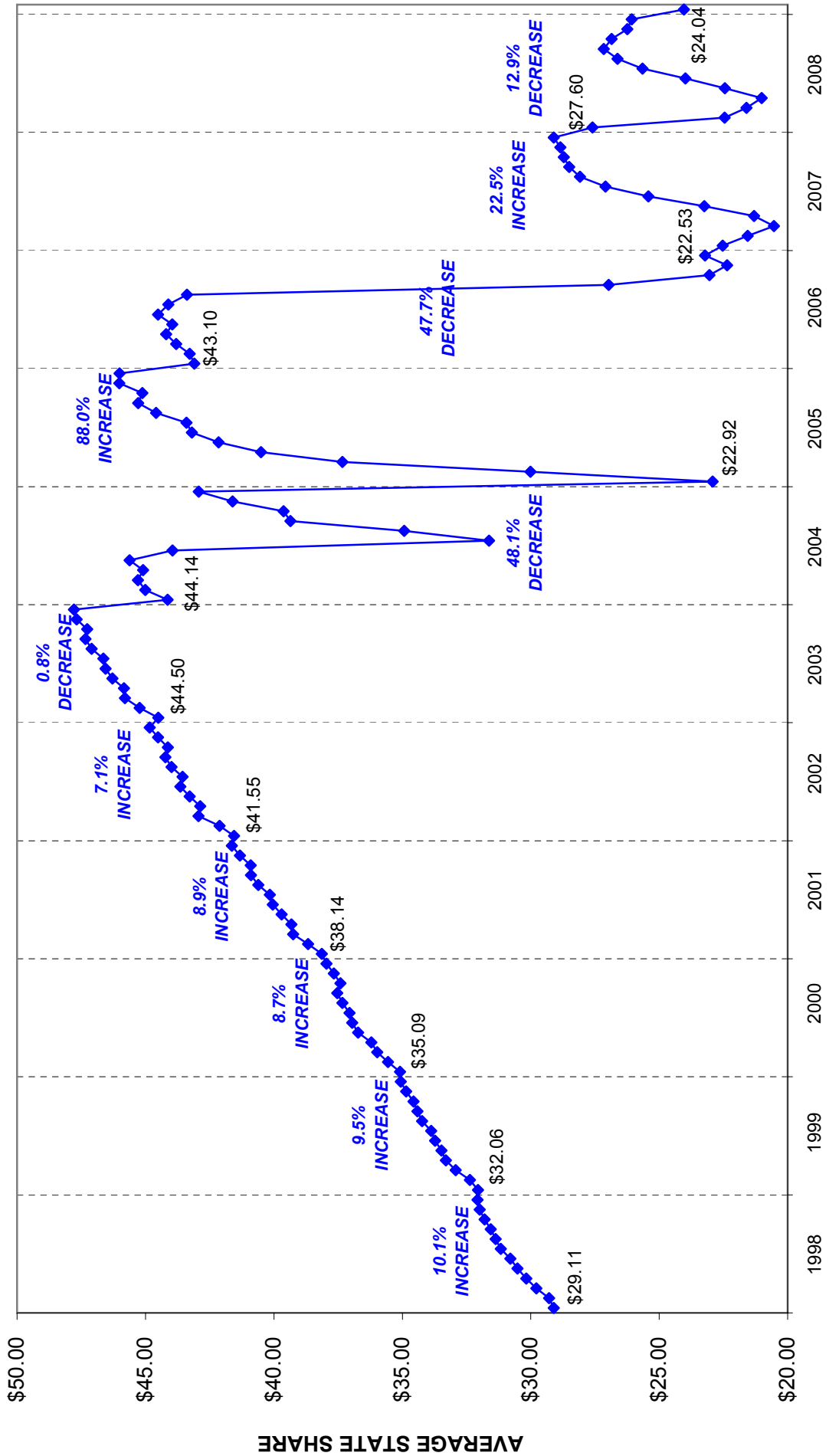
SOURCE: PACE CLAIMS HISTORY (INCLUDES PACE PAID, ORIGINAL CLAIMS; EXCLUDES PACENET CLAIMS)  
 NOTE: PARTICIPATING CARDHOLDERS INCLUDE THOSE WITH ONE OR MORE CLAIMS IN A GIVEN MONTH, BASED ON DATE OF SERVICE.

**FIGURE 2.6B**  
**AVERAGE PRESCRIPTIONS PER PARTICIPATING PACENET CARDHOLDER BY MONTH**  
**JANUARY 1998 - JANUARY 2009**



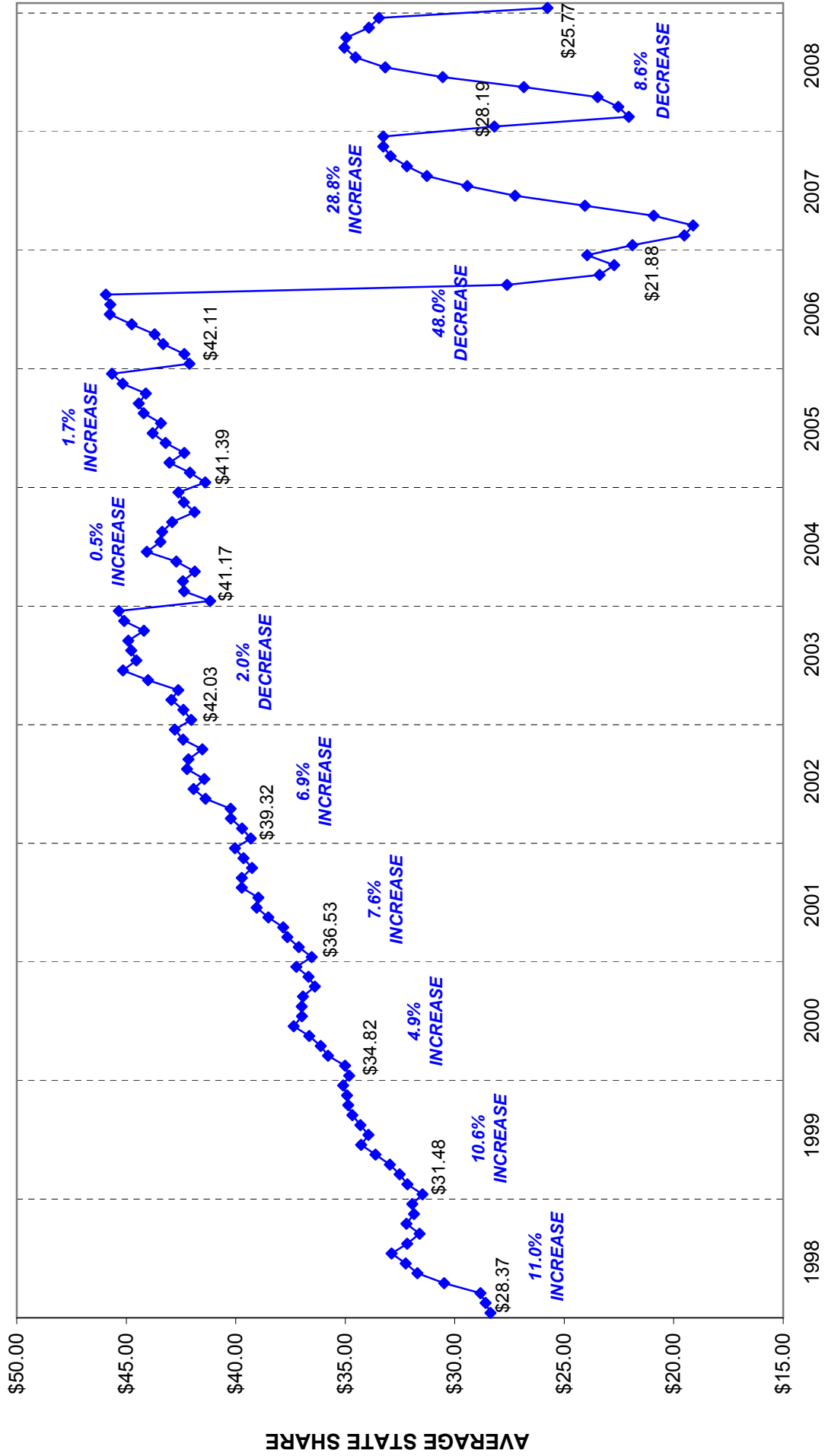
SOURCE: PACENET CLAIMS HISTORY (INCLUDES PACENET PAID, ORIGINAL CLAIMS; EXCLUDES PACE CLAIMS)  
 NOTE: PARTICIPATING CARDHOLDERS INCLUDE THOSE WITH ONE OR MORE CLAIMS IN A GIVEN MONTH, BASED ON DATE OF SERVICE.

**FIGURE 2.7A**  
**PACE AVERAGE STATE SHARE PER CLAIM BY MONTH**  
**JANUARY 1998 - JANUARY 2009**



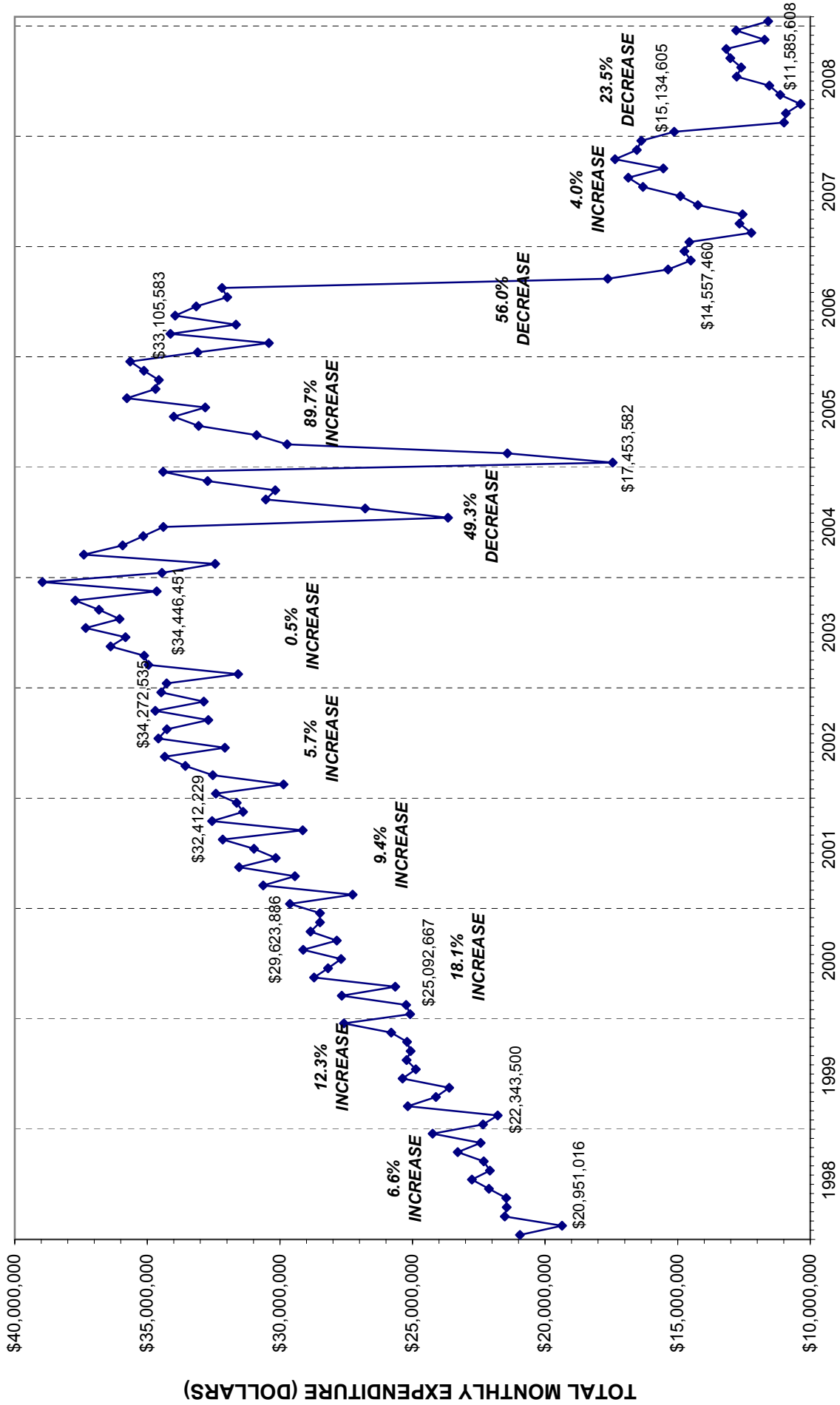
SOURCE: PACE CLAIMS HISTORY  
 NOTE: INCLUDES PAID; ORIGINAL CLAIMS BASED ON DATE OF SERVICE; EXCLUDES PACENET CLAIMS.

**FIGURE 2.7B**  
**PACENET AVERAGE STATE SHARE PER COPAID CLAIM BY MONTH**  
**JANUARY 1998 - JANUARY 2009**



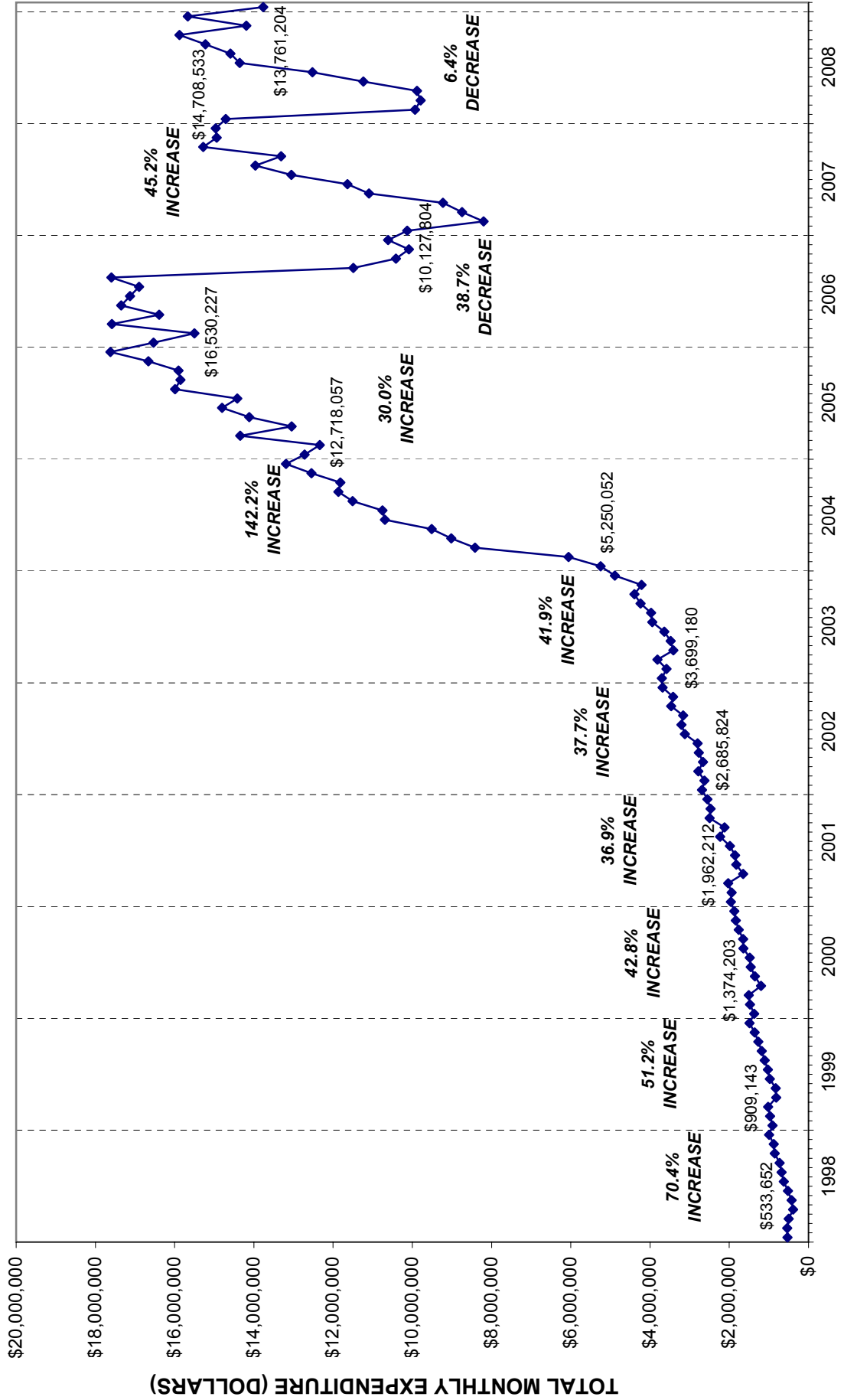
SOURCE: PACENET CLAIMS HISTORY  
 NOTE: INCLUDES ONLY PACENET COPAID, ORIGINAL CLAIMS BASED ON DATE OF SERVICE; EXCLUDES PACENET DEDUCTIBLE AND PACE CLAIMS.

**FIGURE 2.8A**  
**TOTAL PACE EXPENDITURE BY MONTH**  
**JANUARY 1998 - JANUARY 2009**



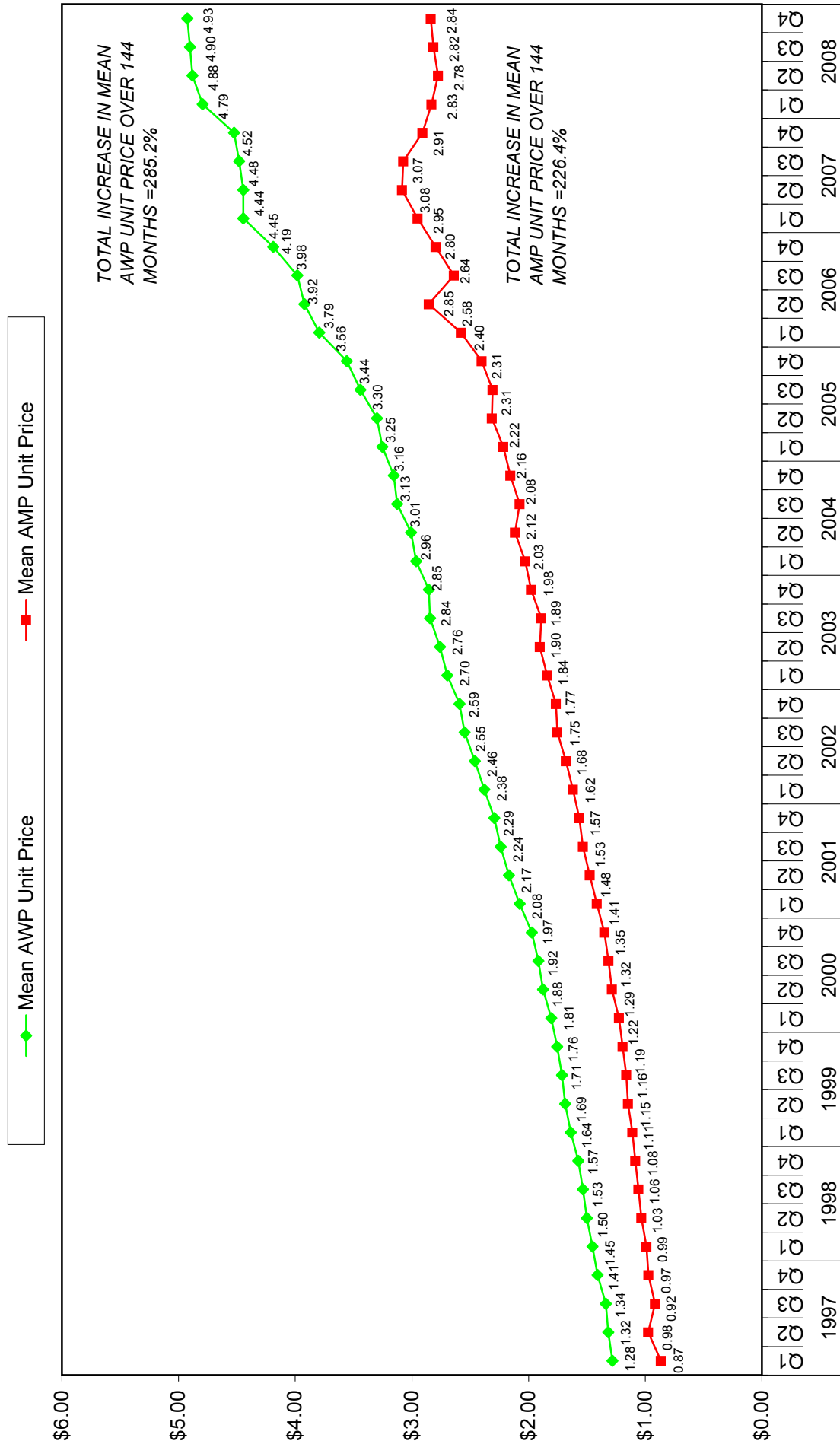
SOURCE: PACE CLAIMS HISTORY  
 NOTE: INCLUDES PAID, ORIGINAL CLAIMS BASED ON DATE OF SERVICE; EXCLUDES PACENET CLAIMS.

**FIGURE 2.8B**  
**TOTAL PACENET EXPENDITURE BY MONTH**  
**JANUARY 1998 - JANUARY 2009**



SOURCE: PACENET CLAIMS HISTORY  
 NOTE: INCLUDES PACENET PAID; ORIGINAL CLAIMS BASED ON DATE OF SERVICE; EXCLUDES PACE CLAIMS.

**FIGURE 2.9**  
**PACE AVERAGE WHOLESALE PRICE (AWP) AND AVERAGE MANUFACTURER'S PRICE (AMP)\***  
**BY QUARTER**  
**JANUARY 1997 - DECEMBER 2008**



\* DATA INCLUDE CLAIMS FOR NDC'S FOR WHICH REBATE AMP DATA ARE AVAILABLE FOR ANY QUARTER IN 1997-2008.  
 SOURCE: PACE CLAIMS HISTORY AND MANUFACTURERS' REBATE HISTORY



**SECTION 3**

**PROGRAM DATA  
BY DATE OF  
PAYMENT**



**TABLE 3.1**  
**PACE AND PACENET CLAIMS AND EXPENDITURES PAID BY FISCAL YEAR**  
**JULY 1984 - DECEMBER 2008**

SEMI-ANNUAL PERIOD	NUMBER OF WEEKS	PACE			AVERAGE STATE SHARE PER PROCESSED CLAIM *	PACENET		AVERAGE STATE SHARE PER PROCESSED CLAIM **
		NUMBER OF PROCESSED CLAIMS	EXPENDITURES			NUMBER OF PROCESSED CLAIMS	EXPENDITURES	
JUL-DEC 1984	26	2,101,419	\$20,714,685		\$9.86			
JAN-JUN 1985	26	3,475,440	\$36,579,102		\$10.53			
1 <sup>st</sup> YEAR TOTAL		5,576,859	\$57,293,787		\$10.27			
JUL-DEC 1985	26	4,372,468	\$50,616,334		\$11.58			
JAN-JUN 1986	26	4,966,536	\$61,368,193		\$12.36			
2 <sup>nd</sup> YEAR TOTAL		9,339,004	\$111,984,527		\$11.99			
JUL-DEC 1986	26	5,237,141	\$68,786,114		\$13.13			
JAN-JUN 1987	26	5,257,747	\$72,761,148		\$13.84			
3 <sup>rd</sup> YEAR TOTAL		10,494,888	\$141,547,262		\$13.49			
JUL-DEC 1987	27	5,515,827	\$80,237,477		\$14.55			
JAN-JUN 1988	25	5,440,743	\$84,469,697		\$15.53			
4 <sup>th</sup> YEAR TOTAL		10,956,570	\$164,707,174		\$15.03			
JUL-DEC 1988	27	6,055,327	\$99,192,197		\$16.38			
JAN-JUN 1989	26	5,937,088	\$103,781,619		\$17.48			
5 <sup>th</sup> YEAR TOTAL		11,992,415	\$202,973,816		\$16.93			
JUL-DEC 1989	26	5,709,497	\$106,600,899		\$18.67			
JAN-JUN 1990	26	5,544,295	\$110,848,137		\$19.99			
6 <sup>th</sup> YEAR TOTAL		11,253,792	\$217,449,036		\$19.32			
JUL-DEC 1990	26	5,352,797	\$112,293,188		\$20.98			
JAN-JUN 1991	26	5,453,044	\$117,814,625		\$21.61			
7 <sup>th</sup> YEAR TOTAL		10,805,841	\$230,107,813		\$21.29			
JUL-DEC 1991	26	5,073,452	\$115,304,410		\$22.73			
JAN-JUN 1992	26	4,816,750	\$115,596,910		\$24.00			
8 <sup>th</sup> YEAR TOTAL		9,890,202	\$230,901,320		\$23.35			
JUL-DEC 1992	26	4,724,142	\$115,980,339		\$24.55			
JAN-JUN 1993	26	4,403,096	\$108,876,491		\$24.73			
9 <sup>th</sup> YEAR TOTAL		9,127,238	\$224,856,830		\$24.64			
JUL-DEC 1993	26	4,729,097	\$118,778,523		\$25.12			
JAN-JUN 1994	26	4,341,896	\$111,401,456		\$25.66			
10 <sup>th</sup> YEAR TOTAL		9,070,993	\$230,179,979		\$25.38			
JUL-DEC 1994	26	4,721,702	\$122,294,905		\$25.90			
JAN-JUN 1995	27	4,228,653	\$111,136,630		\$26.28			
11 <sup>th</sup> YEAR TOTAL		8,950,355	\$233,431,535		\$26.08			
JUL-DEC 1995	26	4,895,160	\$131,701,547		\$26.90			
JAN-JUN 1996	26	4,443,096	\$121,066,818		\$27.25			
12 <sup>th</sup> YEAR TOTAL		9,338,256	\$252,768,365		\$27.07			
JUL-DEC 1996	26	4,334,551	\$119,612,179		\$27.60	540	\$23	\$0.04
JAN-JUN 1997	26	4,523,225	\$116,697,725		\$25.80	74,647	\$586,350	\$7.85
13 <sup>th</sup> YEAR TOTAL		8,857,776	\$236,309,904		\$26.68	75,187	\$586,373	\$7.80
JUL-DEC 1997	26	4,546,360	\$121,880,844		\$26.81	150,263	\$2,680,675	\$17.84
JAN-JUN 1998	26	4,497,031	\$126,776,785		\$28.19	171,797	\$2,860,833	\$16.65
14 <sup>th</sup> YEAR TOTAL		9,043,391	\$248,657,629		\$27.50	322,060	\$5,541,508	\$17.21
JUL-DEC 1998	26	4,504,394	\$134,229,706		\$29.80	233,277	\$4,737,561	\$20.31
JAN-JUN 1999	26	4,220,448	\$139,246,165		\$32.99	256,109	\$5,410,383	\$21.13
15 <sup>th</sup> YEAR TOTAL		8,724,842	\$273,475,871		\$31.34	489,386	\$10,147,944	\$20.74

**TABLE 3.1**  
**PACE AND PACENET CLAIMS AND EXPENDITURES PAID BY FISCAL YEAR**  
**JULY 1984 - DECEMBER 2008**

SEMI-ANNUAL PERIOD	NUMBER OF WEEKS	<u>PACE</u>		AVERAGE STATE SHARE PER PROCESSED CLAIM *	NUMBER OF PROCESSED CLAIMS	<u>PACENET</u>		AVERAGE STATE SHARE PER PROCESSED CLAIM **
		NUMBER OF PROCESSED CLAIMS	EXPENDITURES			EXPENDITURES		
JUL-DEC 1999	26	4,456,680	\$153,781,999	\$34.51	310,165	\$7,421,422	\$23.93	
JAN-JUN 2000	26	4,453,977	\$160,846,800	\$36.11	339,250	\$8,389,295	\$24.73	
16 <sup>th</sup> YEAR TOTAL		8,910,657	\$314,628,799	\$35.31	649,415	\$15,810,717	\$24.35	
JUL-DEC 2000	26	4,538,814	\$170,118,213	\$37.48	382,379	\$10,200,170	\$26.68	
JAN-JUN 2001	26	4,536,651	\$177,830,053	\$39.20	420,529	\$11,319,858	\$26.92	
17 <sup>th</sup> YEAR TOTAL		9,075,465	\$347,948,266	\$38.34	802,908	\$21,520,028	\$26.80	
JUL-DEC 2001	26	4,635,934	\$189,489,307	\$40.87	480,559	\$13,924,106	\$28.97	
JAN-JUN 2002	26	4,554,962	\$194,745,251	\$42.75	542,321	\$16,348,022	\$30.14	
18 <sup>th</sup> YEAR TOTAL		9,190,896	\$384,234,558	\$41.81	1,022,880	\$30,272,128	\$29.59	
JUL-DEC 2002	26	4,615,282	\$203,947,092	\$44.19	615,169	\$20,100,929	\$32.68	
JAN-JUN 2003	26	4,554,809	\$208,208,623	\$45.71	644,320	\$21,608,906	\$33.54	
19 <sup>th</sup> YEAR TOTAL		9,170,091	\$412,155,715	\$44.95	1,259,489	\$41,709,835	\$33.12	
JUL-DEC 2003	26	4,688,095	\$221,734,037	\$47.30	722,537	\$25,698,628	\$35.57	
JAN-JUN 2004	26	4,581,399	\$205,908,844	\$44.94	1,268,014	\$47,385,206	\$37.37	
20 <sup>th</sup> YEAR TOTAL		9,269,494	\$427,642,881	\$46.13	1,990,551	\$73,083,834	\$36.72	
JUL-DEC 2004	26	4,646,945	\$178,347,082	\$38.38	1,922,663	\$71,852,034	\$37.37	
JAN-JUN 2005	26	4,613,122	\$166,886,748	\$36.18	2,178,944	\$81,479,300	\$37.39	
21 <sup>st</sup> YEAR TOTAL		9,260,067	\$345,233,830	\$37.28	4,101,607	\$153,331,334	\$37.38	
JUL-DEC 2005	26	4,632,516	\$208,781,508	\$45.07	2,451,200	\$96,468,947	\$39.36	
JAN-JUN 2006	26	4,484,886	\$196,409,910	\$43.79	2,708,585	\$100,489,805	\$37.10	
22 <sup>nd</sup> YEAR TOTAL		9,117,402	\$405,191,418	\$44.44	5,159,785	\$196,958,752	\$38.17	
JUL-DEC 2006	26	4,074,738	\$126,753,319	\$31.11	2,686,230	\$77,256,980	\$28.76	
JAN-JUN 2007	26	3,642,398	\$82,054,486	\$22.53	2,633,012	\$59,270,762	\$22.51	
23 <sup>rd</sup> YEAR TOTAL		7,717,136	\$208,807,805	\$27.06	5,319,242	\$136,527,742	\$25.67	
JUL-DEC 2007	26	3,491,014	\$99,077,033	\$28.38	2,688,584	\$85,271,656	\$31.72	
JAN-JUN 2008	26	3,015,416	\$70,145,582	\$23.26	2,947,413	\$67,641,825	\$22.95	
24 <sup>th</sup> YEAR TOTAL		6,506,430	\$169,222,615	\$26.01	5,635,997	\$152,913,481	\$27.13	
JUL-DEC 2008	26	2,882,322	\$76,213,073	\$26.44	3,082,226	\$89,890,137	\$29.16	
25 <sup>th</sup> YEAR-TO-DATE TOTAL		2,882,322	\$76,213,073	\$26.44	3,082,226	\$89,890,137	\$29.16	
CUMULATIVE TOTAL		224,522,382	\$6,147,923,807	\$27.38	29,910,733	\$928,293,813	\$31.04	

\* The State Share is the amount paid by the PACE Program for each claim. The State Share per processed claim does not reflect rebates from manufacturers, recoupments from insurance carriers, or audit disallowances received from providers and enrollees. The number of claims includes all original, debit, credit and void claims. Some claims, therefore, do not have a payment associated with them. The State Share per original, paid claim would be higher than the values shown on this table.

**Reimbursement formulas for PACE:**

**July 1, 1984 - June 1985:** The lesser of either the Average Wholesale Price (AWP) plus a \$2.50 dispensing fee or the Usual and Customary Charge (U&C), then subtracting a \$4.00 cardholder payment.

**July 1, 1984 - June 1991:** The lesser of either the Average Wholesale Price (AWP) plus a \$2.75 dispensing fee or the Usual and Customary Charge (U&C), then subtracting a \$4.00 cardholder payment.

**July 1, 1991 - November 21, 1996:** Same as above with copayment increased to \$6.00.

**November 22, 1996 - December 31, 2003:** The lesser of either the AWP minus 10% plus a \$3.50 dispensing fee, or the U&C, then subtracting a \$6.00 copayment.

**January 1, 2004 - July 9, 2006:** The lesser of either AWP minus 10% plus a \$4.00 dispensing fee, or the U&C, or the Federal Upper Limit for a generic product plus a \$4.00 dispensing fee, then subtracting a copayment of \$6.00 for generics and \$9.00 for brand products. The copayment can be adjusted annually.

**July 10, 2006 - Present:** The lesser of either AWP minus 12% plus a \$4.00 dispensing fee, or the U&C, or the Federal Upper Limit for a generic product plus a \$4.00 dispensing fee, then subtracting a copayment of \$6.00 for generics and \$9.00 for brand products. The copayment can be adjusted annually.

**TABLE 3.1**  
**PACE AND PACENET CLAIMS AND EXPENDITURES PAID BY FISCAL YEAR**  
**JULY 1984 - DECEMBER 2008**

***Reimbursement formulas for PACE (continued):***

**June 2004 - December 2005:** Average PACE state share per claim reflects additional savings from the Transitional Assistance benefit for Medicare Discount Program cardholders.

**June 2004 - December 2008:** Average state share per claim reflects savings from Medicare Part D.

\*\* The State Share is the amount paid by the PACENET Program for each claim in the copayment phase. The State Share per processed claim does not reflect rebates from manufacturers, recoupments from insurance carriers, or audit disallowances received from providers and enrollees. The number of processed claims includes claims in the copay and deductible phases. Therefore, the State Share per copay phase claim would be higher than the values shown on this table.

***Reimbursement formulas for PACENET:***

**November 22, 1996 - December 31, 2003:** The lesser of either AWP minus 10% plus a \$3.50 dispensing fee, or the U&C, then subtracting a copayment of \$8.00 for generics and \$15 for brand products.

**January 1, 2004 - July 9, 2006:** The lesser of either AWP minus 10% plus a \$4.00 dispensing fee, or the U&C, or the Federal Upper Limit for a generic product plus a \$4.00 dispensing fee, then subtracting a copayment of \$8.00 for generics and \$15.00 for brand products. The copayment can be adjusted annually.

**July 10, 2006 - Present:** The lesser of either AWP minus 12% plus a \$4.00 dispensing fee, or the U&C, or the Federal Upper Limit for a generic product plus a \$4.00 dispensing fee, then subtracting a copayment of \$8.00 for generics and \$15.00 for brand products. The copayment can be adjusted annually.

**June 2004 - December 2008:** Average state share per claim reflects savings from Medicare Part D.

SOURCE: PDA/MRW200-01 & MRM730-01

**TABLE 3.2A**  
**PACE HIGH EXPENDITURE AND HIGH VOLUME CLAIMS**  
**JANUARY - DECEMBER 2008**

<u>MANUFACTURER</u>	<u>PRODUCT</u>	<u>STRENGTH</u>	<u>EXPENDITURE</u>	<u>% OF ALL EXPENDITURES</u>	<u>RANK BY EXPENDITURE</u>	<u>CLAIMS</u>	<u>% OF ALL CLAIMS</u>	<u>RANK BY VOLUME</u>	<u>EXCLUSIVITY/ PATENT</u>	<u>PRODUCT DESCRIPTION</u>
BRISTOL-MYERS SQUIBB	PLAVIX	75 MG	\$6,624,114.03	4.48	1	125,578	2.12	1	06/19	ANTIPLATELET AGENT
ASTRA ZENECA	NEXIUM	40 MG	\$5,213,322.18	3.53	2	69,184	1.17	3	05/20	GASTROINTESTINAL AGENT
TAKEDA	PREVACID	30 MG	\$2,993,709.70	2.03	3	36,489	0.62	11	08/10	GASTROINTESTINAL AGENT
EISAI	ARICEPT	10 MG	\$2,957,003.36	2.00	4	40,546	0.69	8	03/19	ALZHEIMER'S DISEASE TREATMENT
PFIZER	LIPITOR	20 MG	\$2,831,437.68	1.92	5	59,458	1.01	4	01/17	LIPID-LOWERING AGENT
PFIZER	LIPITOR	10 MG	\$2,408,540.53	1.63	6	73,097	1.24	2	01/17	LIPID-LOWERING AGENT
PFIZER	CELEBREX	200 MG	\$2,165,369.06	1.47	7	35,357	0.60	12	04/18	ANTI-INFLAMMATORY/ANALGESIC
GLAXO SMITHKLINE	ADVAIR DISKUS	250/50 MCG	\$2,060,578.32	1.39	8	26,702	0.45	29	08/16	RESPIRATORY AGENT
BOEHRINGER INGELHEIM	SPIRIVA	18 MCG	\$1,992,346.79	1.35	9	33,798	0.57	16	03/23	RESPIRATORY AGENT
WYETH	PANTOPRAZOLE SODIUM	40 MG	\$1,721,169.13	1.16	10	29,200	0.49	22	—	GASTROINTESTINAL AGENT
FOREST	NAMENDA	10 MG	\$1,670,293.68	1.13	11	24,872	0.42	32	04/10	ALZHEIMER'S DISEASE TREATMENT
PFIZER	LIPITOR	40 MG	\$1,611,313.07	1.09	12	33,847	0.57	15	01/17	LIPID-LOWERING AGENT
PROCTER & GAMBLE	ACTONEL	35 MG	\$1,515,621.11	1.03	13	43,069	0.73	6	08/18	OSTEOPOROSIS TREATMENT
EISAI	ACIPHEX	20 MG	\$1,507,325.60	1.02	14	15,732	0.27	58	05/13	GASTROINTESTINAL AGENT
MERCK	ZETIA	10 MG	\$1,461,247.60	0.99	15	42,379	0.72	7	07/22	LIPID-LOWERING AGENT
PFIZER	DETROL LA	4 MG	\$1,406,564.24	0.95	16	28,756	0.49	24	05/20	OVERACTIVE BLADDER TREATMENT
EISAI	ARICEPT	5 MG	\$1,286,293.48	0.87	17	17,333	0.29	50	03/19	ALZHEIMER'S DISEASE TREATMENT
WYETH	PROTONIX	40 MG	\$1,187,753.41	0.80	18	20,580	0.35	43	06/17	GASTROINTESTINAL AGENT
TEVA	PANTOPRAZOLE SODIUM	40 MG	\$1,161,167.46	0.79	19	20,271	0.34	44	—	GASTROINTESTINAL AGENT
TAKEDA	ACTOS	30 MG	\$1,152,297.66	0.78	20	15,679	0.27	59	08/16	DIABETES TREATMENT
SANOI-AVENTIS	LANTUS SOLOSTAR	100 U/ML	\$1,043,872.47	0.71	21	22,145	0.37	39	12/23	DIABETES TREATMENT
FOREST	LEXAPRO	10 MG	\$1,042,860.43	0.71	22	30,067	0.51	20	02/23	ANTIDEPRESSANT
ASTRA ZENECA	ARIMIDEX	1 MG	\$1,034,171.03	0.70	23	8,845	0.15	137	06/10	CHEMOTHERAPEUTIC AGENT
PFIZER	XALATAN	0.005%	\$1,033,802.40	0.70	24	32,786	0.55	17	03/11	GLAUCOMA TREATMENT
MERCK	SINGULAIR	10 MG	\$1,024,019.46	0.69	25	24,837	0.42	34	08/12	RESPIRATORY AGENT
ROCHE	BONIVA	150 MG	\$952,277.03	0.64	26	19,198	0.32	47	05/23	OSTEOPOROSIS TREATMENT
TAKEDA	ACTOS	45 MG	\$946,093.89	0.64	27	11,990	0.20	86	08/16	DIABETES TREATMENT
BOEHRINGER INGELHEIM	FLOMAX	0.4 MG	\$939,582.43	0.64	28	25,725	0.43	30	10/09	FOR PROSTATE HYPERPLASIA
ELI LILLY	EVISTA	60 MG	\$917,466.74	0.62	29	23,150	0.39	37	03/17	OSTEOPOROSIS TREATMENT
MERCK	JANUVIA	100 MG	\$906,598.13	0.61	30	11,288	0.19	94	04/26	DIABETES TREATMENT

**TABLE 3.2A**  
**PACE HIGH EXPENDITURE AND HIGH VOLUME CLAIMS**  
**JANUARY - DECEMBER 2008**

<u>MANUFACTURER</u>	<u>PRODUCT</u>	<u>STRENGTH</u>	<u>EXPENDITURE</u>	<u>% OF ALL EXPENDITURES</u>	<u>RANK BY EXPENDITURE</u>	<u>CLAIMS</u>	<u>% OF ALL CLAIMS</u>	<u>RANK BY VOLUME</u>	<u>EXCLUSIVITY/ PATENT</u>	<u>PRODUCT DESCRIPTION</u>
NOVARTIS	DIOVAN	160 MG	\$867,535.69	0.59	31	28,348	0.48	26	12/17	ANGIOTENSIN II RECEPTOR ANTAG.
ELI LILLY	FORTEO	250 MCG/ML	\$823,487.28	0.56	32	1,960	0.03	610	08/19	OSTEOPOROSIS TREATMENT
ABBOTT	TRICOR	145 MG	\$814,363.39	0.55	33	19,297	0.33	46	02/23	LIPID-LOWERING AGENT
GLAXO SMITHKLINE	ADVAIR DISKUS	500/50 MCG	\$751,673.16	0.51	34	7,520	0.13	159	08/16	RESPIRATORY AGENT
NOVARTIS	DIOVAN	80 MG	\$671,268.72	0.45	35	24,662	0.42	35	12/17	DIABETES TREATMENT
ORTHO BIOTECH	PROCRIT	40000 U/ML	\$628,768.59	0.43	36	788	0.01	1153	—	HEMATOPOIETIC AGENT
BOEHRINGER INGELHEIM	AGGRENOX		\$612,146.34	0.41	37	11,143	0.19	96	01/17	ANTIPLATELET AGENT
MERCK	VYTORIN	10/40 MG	\$601,775.23	0.41	38	14,595	0.25	66	06/24	LIPID-LOWERING AGENT
MYLAN	OMEPRAZOLE	20 MG	\$580,002.69	0.39	39	34,559	0.58	13	—	GASTROINTESTINAL AGENT
KREMERS URBAN	OMEPRAZOLE	20 MG	\$573,490.06	0.39	40	20,984	0.35	42	—	GASTROINTESTINAL AGENT
MERCK	FOSAMAX	70 MG	\$570,512.87	0.39	41	14,684	0.25	64	01/19	OSTEOPOROSIS TREATMENT
TAKEDA	ACTOS	15 MG	\$566,745.35	0.38	42	12,151	0.21	84	08/16	DIABETES TREATMENT
BOEHRINGER INGELHEIM	COMBIVENT		\$557,348.84	0.38	43	15,866	0.27	57	06/15	RESPIRATORY AGENT
ASTRA ZENECA	CRESTOR	10 MG	\$552,594.07	0.37	44	14,471	0.24	67	12/21	LIPID-LOWERING AGENT
MERCK	COZAAR	50 MG	\$545,360.92	0.37	45	16,504	0.28	53	09/14	ANGIOTENSIN II RECEPTOR ANTAG.
NOVARTIS	DIOVAN HCT	12.5 /1 MG	\$539,347.05	0.36	46	16,510	0.28	52	12/17	ANGIOTENSIN II RECEPTOR ANTAG.
ORTHO BIOTECH	PROCRIT	20000 U/ML	\$527,180.35	0.36	47	1,115	0.02	903	—	HEMATOPOIETIC AGENT
CARACO	PANTOPRAZOLE SODIUM	40 MG	\$522,310.82	0.35	48	8,513	0.14	140	—	GASTROINTESTINAL AGENT
MERCK	COSOPT OCUMETER PLUS		\$520,518.06	0.35	49	9,451	0.16	123	10/08	GLAUCOMA TREATMENT
PFIZER	LIPITOR	80 MG	\$516,064.35	0.35	50	10,949	0.19	99	01/17	LIPID-LOWERING AGENT
MYLAN	AMLODIPINE BESYLATE	10 MG	\$318,744.73	0.22	75	29,665	0.50	21	—	CALCIUM CHANNEL BLOCKER
MYLAN	AMLODIPINE BESYLATE	5 MG	\$316,239.83	0.21	79	39,910	0.67	9	—	CALCIUM CHANNEL BLOCKER
TEVA	SIMVASTATIN	20 MG	\$264,843.48	0.18	98	28,870	0.49	23	—	LIPID-LOWERING AGENT
ETHEX	METOPROLOL SUCCINATE	100 MG	\$257,755.42	0.17	102	21,105	0.36	41	—	BETA BLOCKER
SANDOZ	METOPROLOL SUCCINATE	50 MG	\$252,878.93	0.17	104	27,327	0.46	28	—	BETA BLOCKER
TEVA	SIMVASTATIN	40 MG	\$242,973.21	0.16	106	24,844	0.42	33	—	LIPID-LOWERING AGENT
UPSHER-SMITH	KLOR-CON M20	20 MEQ	\$78,395.76	0.05	309	21,325	0.36	40	—	POTASSIUM REPLACEMENT
WATSON	LORAZEPAM	0.5 MG	\$51,027.58	0.03	426	19,952	0.34	45	—	BENZODIAZEPINE ANXIOLYTIC
MYLAN	LEVOTHYROXINE SODIUM	0.075 MG	\$41,445.70	0.03	503	28,377	0.48	25	—	SYNTHETIC THYROID AGENT
MYLAN	LEVOTHYROXINE SODIUM	0.05 MG	\$40,652.37	0.03	519	34,066	0.58	14	—	SYNTHETIC THYROID AGENT

**TABLE 3.2A**  
**PACE HIGH EXPENDITURE AND HIGH VOLUME CLAIMS**  
**JANUARY - DECEMBER 2008**

<u>MANUFACTURER</u>	<u>PRODUCT</u>	<u>STRENGTH</u>	<u>EXPENDITURE</u>	<u>% OF ALL EXPENDITURES</u>	<u>RANK BY EXPENDITURE</u>	<u>CLAIMS</u>	<u>% OF ALL CLAIMS</u>	<u>RANK BY VOLUME</u>	<u>EXCLUSIVITY/PATENT</u>	<u>PRODUCT DESCRIPTION</u>
MYLAN	LEVOTHYROXINE SODIUM	0.1 MG	\$37,216.66	0.03	545	25,126	0.42	31	—	SYNTHETIC THYROID AGENT
MYLAN	LEVOTHYROXINE SODIUM	0.025 MG	\$17,314.42	0.01	880	17,551	0.30	49	—	SYNTHETIC THYROID AGENT
COVIDIEN MALLINCKRODT	APAP/HYDROCODONE	500 MG-5 MG	\$15,981.46	0.01	920	22,352	0.38	38	—	ANALGESIC NARCOTIC AGENT
MYLAN	METOPROLOL TARTRATE	25 MG	\$13,091.17	0.01	1039	31,475	0.53	18	—	BETA BLOCKER
LANNETT	DIGOXIN	0.125 MG	\$11,208.66	0.01	1127	18,775	0.32	48	—	CARDIAC GLYCOSIDE
MYLAN	METOPROLOL TARTRATE	50 MG	\$8,185.34	0.01	1344	37,004	0.63	10	—	BETA BLOCKER
MYLAN	FUROSEMIDE	40 MG	\$5,623.80	0.00	1638	53,058	0.90	5	—	LOOP DIURETIC
MYLAN	FUROSEMIDE	20 MG	\$1,921.02	0.00	2777	31,410	0.53	19	—	LOOP DIURETIC
QUALITEST	HYDROCHLOROTHIAZIDE	25 MG	\$136.86	0.00	5857	23,781	0.40	36	—	THIAZIDE DIURETIC
TEVA	HYDROCHLOROTHIAZIDE	25 MG	\$128.01	0.00	5939	27,753	0.47	27	—	THIAZIDE DIURETIC
	TOTAL		\$69,086,470.34	46.75		1,849,754				
	70 PRODUCTS									
	TOTAL		\$147,793,363.49	100.00		5,915,162				
	ALL PRODUCTS									

NOTES: PATENT AND EXCLUSIVITY EXPIRATION INFORMATION TAKEN FROM USPDI APPROVED DRUG PRODUCTS AND LEGAL REQUIREMENTS, VOLUME III, 25TH EDITION (2008). DATA INCLUDE ORIGINAL, PAID CLAIMS BY DATE OF PAYMENT FOR PACE ONLY, EXCLUDING PACENET.

SOURCE: PDA/CLAIMS HISTORY

**TABLE 3.2B  
PACENET HIGH EXPENDITURE AND HIGH VOLUME CLAIMS  
JANUARY - DECEMBER 2008**

<u>MANUFACTURER</u>	<u>PRODUCT</u>	<u>STRENGTH</u>	<u>CARDHOLDER EXPENDITURES</u>	<u>STATE SHARE EXPENDITURES</u>	<u>TOTAL EXPENDITURES</u>	<u>% OF TOTAL</u>	<u>RANK BY EXPEN- TURES</u>	<u>CLAIMS</u>	<u>% OF TOTAL</u>	<u>RANK BY VOLUME</u>
BRISTOL-MYERS SQUIBB	PLAVIX	75 MG	\$11,463,434.99	\$8,071,090.51	\$19,534,525.50	5.15	1	140,452	2.36	1
ASTRA ZENECA	NEXIUM	40 MG	\$5,567,930.17	\$5,220,123.25	\$10,788,053.42	3.33	2	65,100	1.09	3
EISAI	ARICEPT	10 MG	\$3,951,868.49	\$3,208,966.23	\$7,160,834.72	2.05	3	42,106	0.71	8
PFIZER	LIPITOR	20 MG	\$4,201,354.78	\$2,770,467.09	\$6,971,821.87	1.77	4	57,502	0.97	4
TAKEDA	PREVACID	30 MG	\$2,425,559.26	\$2,738,021.83	\$5,163,581.09	1.75	5	30,916	0.52	15
BOEHRINGER INGELHEIM	SPIRIVA	18 MCG	\$3,373,846.18	\$2,705,568.90	\$6,079,415.08	1.72	6	39,620	0.67	9
GLAXO SMITHKLINE	ADVAIR DISKUS	250/50 MCG	\$3,024,396.47	\$2,616,276.36	\$5,640,672.83	1.67	7	29,307	0.49	22
PFIZER	CELEBREX	200 MG	\$2,183,652.78	\$2,084,553.09	\$4,268,205.87	1.33	8	32,679	0.55	14
PFIZER	LIPITOR	10 MG	\$3,741,647.34	\$2,042,243.37	\$5,783,890.71	1.30	9	68,142	1.14	2
FOREST	NAMENDA	10 MG	\$2,163,095.47	\$1,898,610.19	\$4,061,705.66	1.21	10	27,419	0.46	25
PFIZER	LIPITOR	40 MG	\$2,456,285.39	\$1,770,374.87	\$4,226,660.26	1.13	11	34,860	0.59	13
SANOPI-AVENTIS	LANTUS SOLOSTAR	100 U/ML	\$2,188,642.21	\$1,716,197.33	\$3,904,839.54	1.09	12	29,532	0.50	21
MERCK	ZETIA	10 MG	\$2,792,760.50	\$1,689,545.42	\$4,482,305.92	1.08	13	46,973	0.79	6
BOEHRINGER INGELHEIM	FLOMAX	0.4 MG	\$2,695,654.47	\$1,636,405.18	\$4,332,059.65	1.04	14	43,605	0.73	7
ASTRA ZENECA	ARIMIDEX	1 MG	\$1,677,882.29	\$1,495,809.10	\$3,173,691.39	0.95	15	10,728	0.18	102
TAKEDA	ACTOS	30 MG	\$1,692,183.91	\$1,433,066.51	\$3,125,250.42	0.91	16	16,417	0.28	50
WYETH	PANTOPRAZOLE SODIUM	40 MG	\$1,268,739.15	\$1,415,434.11	\$2,684,173.26	0.90	17	24,559	0.41	34
PFIZER	DETROL LA	4 MG	\$1,827,782.29	\$1,345,870.26	\$3,173,652.55	0.86	18	26,747	0.45	29
TAKEDA	ACTOS	45 MG	\$1,519,611.46	\$1,344,453.46	\$2,864,064.92	0.86	19	13,800	0.23	70
PROCTER & GAMBLE	ACTONEL	35 MG	\$2,091,621.10	\$1,239,418.10	\$3,331,039.20	0.79	20	37,856	0.64	10
EISAI	ACIPHEX	20 MG	\$956,446.28	\$1,233,072.04	\$2,189,518.32	0.79	21	13,009	0.22	77
MERCK	JANUVIA	100 MG	\$1,073,050.14	\$1,202,374.47	\$2,275,424.61	0.77	22	13,153	0.22	75
ESAI	ARICEPT	5 MG	\$1,422,783.54	\$1,165,089.69	\$2,587,873.23	0.74	23	14,929	0.25	58
ABBOTT	TRICOR	145 MG	\$1,518,514.86	\$1,138,440.15	\$2,656,955.01	0.73	24	23,667	0.40	36
ELI LILLY	FORTEO	250 MCG/ML	\$720,474.07	\$1,135,598.79	\$1,856,072.86	0.72	25	2,412	0.04	512
MERCK	SINGULAIR	10 MG	\$1,521,239.19	\$1,132,770.70	\$2,654,009.89	0.72	26	24,714	0.41	33
GLAXO SMITHKLINE	ADVAIR DISKUS	500/50 MCG	\$1,101,845.08	\$1,057,442.48	\$2,159,287.56	0.67	27	8,251	0.14	143
FOREST	LEXAPRO	10 MG	\$1,499,434.46	\$1,030,291.17	\$2,529,725.63	0.66	28	30,153	0.51	16
WYETH	PROTONIX	40 MG	\$1,065,297.08	\$996,939.88	\$2,062,236.96	0.64	29	16,276	0.27	51
TEVA	PANTOPRAZOLE SODIUM	40 MG	\$999,688.92	\$952,333.57	\$1,952,022.49	0.61	30	17,568	0.29	44

**TABLE 3.2B**  
**PACENET HIGH EXPENDITURE AND HIGH VOLUME CLAIMS**  
**JANUARY - DECEMBER 2008**

<u>MANUFACTURER</u>	<u>PRODUCT</u>	<u>STRENGTH</u>	<u>CARDHOLDER EXPENDITURES</u>	<u>STATE SHARE EXPENDITURES</u>	<u>TOTAL EXPENDITURES</u>	<u>% OF TOTAL</u>	<u>RANK BY EXPENDITURES</u>	<u>CLAIMS</u>	<u>% OF TOTAL</u>	<u>RANK BY VOLUME</u>
ORTHO BIOTECH	PROCRIT	40000 U/ML	\$710,446.23	\$822,314.10	\$1,532,760.33	0.52	31	1,015	0.02	994
ROCHE	BONIVA	150 MG	\$845,686.94	\$820,349.92	\$1,666,036.86	0.52	32	17,448	0.29	45
PFIZER	XALATAN	0.005%	\$1,239,752.44	\$815,546.52	\$2,055,298.96	0.52	33	29,994	0.50	17
NOVARTIS	DIOVAN	160 MG	\$1,291,089.43	\$796,268.77	\$2,087,358.20	0.51	34	27,061	0.45	28
ELI LILLY	EVISTA	60 MG	\$1,349,624.39	\$790,129.94	\$2,139,754.33	0.50	35	20,753	0.35	43
BOEHRINGER INGELHEIM	AGGRENOX		\$1,044,886.99	\$732,551.34	\$1,777,438.33	0.47	36	12,718	0.21	79
WYETH	EFFEXOR-XR	75 MG	\$715,134.40	\$658,516.91	\$1,373,651.31	0.42	37	9,427	0.16	123
MERCK	VYTORIN	10/40 MG	\$906,756.10	\$650,852.04	\$1,557,608.14	0.41	38	16,156	0.27	53
BOEHRINGER INGELHEIM	COMBIVENT		\$1,052,504.45	\$649,767.37	\$1,702,271.82	0.41	39	15,707	0.26	55
NOVARTIS	FEMARA	2.5 MG	\$694,150.68	\$641,392.58	\$1,335,543.26	0.41	40	4,267	0.07	314
TAKEDA	ACTOS	15 MG	\$934,000.19	\$638,432.99	\$1,572,433.18	0.41	41	12,448	0.21	81
ASTRA ZENECA	CRESTOR	10 MG	\$999,972.44	\$636,286.19	\$1,636,258.63	0.41	42	16,067	0.27	54
PFIZER	LIPITOR	80 MG	\$840,588.16	\$628,709.29	\$1,469,297.45	0.40	43	12,325	0.21	82
NOVARTIS	DIOVAN	80 MG	\$1,058,330.18	\$623,608.52	\$1,681,938.70	0.40	44	23,948	0.40	35
ABBOTT	HUMIRA	40 MG	\$524,198.00	\$612,048.16	\$1,136,246.16	0.39	45	677	0.01	1,294
ASTRA ZENECA	CASODEX	50 MG	\$623,491.16	\$610,649.71	\$1,234,140.87	0.39	46	2,531	0.04	489
KREMERS URBAN	OMEPRAZOLE	20 MG	\$450,912.10	\$570,878.62	\$1,021,790.72	0.36	47	21,425	0.36	40
CARACO	PANTOPRAZOLE SODIUM	40 MG	\$496,005.90	\$564,914.29	\$1,060,920.19	0.36	48	9,320	0.16	124
ORTHO BIOTECH	PROCRIT	20000 U/ML	\$358,538.58	\$564,253.97	\$922,792.55	0.36	49	1,177	0.02	891
CELGENE	REVLIMID	25 MG	\$405,099.00	\$563,676.83	\$968,775.83	0.36	50	145	0.00	2,776
MYLAN	OMEPRAZOLE	20 MG	\$756,259.47	\$488,116.10	\$1,244,375.57	0.31	56	29,960	0.50	18
TEVA	SIMVASTATIN	40 MG	\$487,350.40	\$234,651.18	\$722,001.58	0.15	112	27,364	0.46	26
TEVA	SIMVASTATIN	20 MG	\$537,476.99	\$232,898.30	\$770,375.29	0.15	113	28,986	0.49	23
ETHEX	METOPROLOL SUCCINATE	100 MG	\$482,835.73	\$230,153.81	\$712,989.54	0.15	114	20,795	0.35	42
MYLAN	AMLODIPINE BESYLATE	5 MG	\$530,957.44	\$218,308.61	\$749,266.05	0.14	126	35,639	0.60	11
MYLAN	AMLODIPINE BESYLATE	10 MG	\$430,206.28	\$216,611.11	\$646,817.39	0.14	128	25,482	0.43	31
SANDOZ	METOPROLOL SUCCINATE	50 MG	\$495,478.28	\$176,809.59	\$672,287.87	0.11	164	26,369	0.44	30
BECTON DICKINSON	BD UL TRA-FINE SHORT		\$231,654.82	\$143,930.78	\$375,585.60	0.09	196	16,473	0.28	49
UPSHER-SMITH	KLOR-CON M20	20 MEQ	\$273,678.16	\$61,215.16	\$334,893.32	0.04	386	21,734	0.36	39
LUPIN	LISINAPRIL	20 MG	\$174,185.21	\$33,774.49	\$207,959.70	0.02	571	17,284	0.29	47

**TABLE 3.2B  
PACENET HIGH EXPENDITURE AND HIGH VOLUME CLAIMS  
JANUARY - DECEMBER 2008**

<u>MANUFACTURER</u>	<u>PRODUCT</u>	<u>STRENGTH</u>	<u>CARDHOLDER EXPENDITURES</u>	<u>STATE SHARE EXPENDITURES</u>	<u>TOTAL EXPENDITURES</u>	<u>% OF TOTAL</u>	<u>RANK BY EXPEN- TURES</u>	<u>CLAIMS</u>	<u>% OF TOTAL</u>	<u>RANK BY VOLUME</u>
LUPIN	LISINAPRIL	10 MG	\$154,888.25	\$27,576.81	\$182,465.06	0.02	647	17,342	0.29	46
MYLAN	LEVOTHYROXINE SODIUM	0.1 MG	\$192,445.46	\$14,192.25	\$206,637.71	0.01	957	23,089	0.39	37
MYLAN	LEVOTHYROXINE SODIUM	0.075 MG	\$201,555.65	\$13,054.97	\$214,610.62	0.01	1,012	24,855	0.42	32
MYLAN	LEVOTHYROXINE SODIUM	0.05 MG	\$228,311.23	\$11,127.23	\$239,438.46	0.01	1,095	29,667	0.50	19
COVIDIEN MALLINCKRODT	APAPHYDROCODONE	500/5 MG	\$157,896.70	\$7,900.07	\$165,796.77	0.01	1,310	22,860	0.38	38
LANNETT	DIGOXIN	0.125 MG	\$110,473.70	\$2,315.46	\$112,789.16	0.00	2,387	16,647	0.28	48
MYLAN	METOPROLOL TARTRATE	25 MG	\$180,648.06	\$1,710.09	\$182,358.15	0.00	2,745	29,658	0.50	20
MYLAN	METOPROLOL TARTRATE	50 MG	\$211,885.49	\$1,230.69	\$213,116.18	0.00	3,116	35,364	0.59	12
MYLAN	FUROSEMIDE	40 MG	\$240,934.62	\$808.58	\$241,743.20	0.00	3,611	49,220	0.83	5
MYLAN	FUROSEMIDE	20 MG	\$121,781.52	\$239.47	\$122,020.99	0.00	4,982	28,406	0.48	24
QUALITEST	HYDROCHLOROTHIAZIDE	25 MG	\$87,724.87	\$8.53	\$87,733.40	0.00	7,406	21,210	0.36	41
TEVA	HYDROCHLOROTHIAZIDE	25 MG	\$108,222.28	\$4.16	\$108,226.44	0.00	7,615	27,066	0.45	27
	TOTAL 72 PRODUCTS		\$97,124,740.69	\$74,994,633.60	\$172,119,374.29	47.81		1,812,531	30.43	
	TOTAL ALL PRODUCTS		\$215,784,059.00	\$156,868,820.85	\$372,652,879.59	100.00		5,955,957	100.00	

NOTE: DATA INCLUDE ORIGINAL, PAID PACENET CLAIMS BY DATE OF PAYMENT. TOTAL CLAIMS INCLUDE DEDUCTIBLE CLAIMS AND COPAID CLAIMS.  
SOURCE: PDA CLAIMS HISTORY

**TABLE 3.3  
ANNUAL CHANGE IN PACE EXPENDITURE AND UTILIZATION FOR HIGH EXPENDITURE THERAPEUTIC CLASSES  
2007-2008**

MANUFACTURER	PRODUCT	STRENGTH	2008				2007				PERCENT CHANGE: 2007-2008									
			EXPENDITURE	% CLAIMS	COST PER CLAIM	USERS	EXPENDITURE	% CLAIMS	COST PER CLAIM	USERS	CHANGE	% CHANGE	CHANGE	% CHANGE						
<b>ANTI-INFECTIVE AGENTS</b>																				
ORTHO-MCNEIL	LEVAQUIN (LEVOFLOXACIN)	500 MG	\$338,160	11.4	8,708	5.6	\$38.83	6,875	11.0	\$471,802	13.4	11,048	5.9	\$42.70	8,557	11.5	-28.3	-21.2	-9.1	-19.7
VIROPHARMA, INC.	VANCOICIN HCL PULVULES	250 MG	\$315,595	10.7	311	0.2	\$1,014.78	171	0.2	\$243,596	6.9	306	0.1	\$796.06	179	0.2	29.6	1.6	27.5	-4.5
SCHERING	AVELOX (MOXIFLOXACIN)	400 MG	\$192,172	6.5	5,177	3.3	\$37.12	4,162	6.6	\$235,290	6.7	6,616	3.5	\$35.56	5,232	7.0	-18.3	-21.8	4.4	-20.5
AR SCIENTIFIC, INC.	QUALAQUIN (QUININE)	324 MG	\$173,880	5.9	2,271	1.4	\$76.57	504	0.8	\$171,550	4.8	2,045	1.1	\$83.89	636	0.8	1.4	11.1	-8.7	-20.8
VIROPHARMA, INC.	VANCOICIN HCL PULVULES	125 MG	\$145,872	4.9	372	0.2	\$392.13	199	0.3	\$151,555	4.3	340	0.1	\$445.75	185	0.2	-3.7	9.4	-12.0	7.6
	ALL OTHER		\$1,779,201	60.4	136,674	89.0	\$13.02	58,579	93.7	\$2,228,488	63.6	163,907	88.9	\$13.60	69,229	93.4	-20.2	-16.6	-4.3	-15.4
	TOTAL		\$2,944,881	100.0	153,513	100.0	\$19.18	62,454	100.0	\$3,502,259	100.0	184,262	100.0	\$19.01	74,100	100.0	-15.9	-16.7	0.9	-16.1
<b>AUTONOMIC DRUGS</b>																				
EISAI, INC.	ARICEPT (DONEPEZIL)	10 MG	\$2,957,003	31.2	40,546	20.5	\$72.93	6,294	17.5	\$3,186,985	30.7	45,458	19.5	\$70.11	7,080	16.6	-7.2	-10.8	4.0	-11.1
BOEHRINGER INGELHEIM	SPIRIVA (TIOTROPIUM)	18 MCG	\$1,992,347	21.0	33,798	17.1	\$58.95	6,579	18.3	\$1,989,581	19.2	36,395	15.6	\$54.67	7,353	17.2	0.1	-7.1	7.8	-10.5
EISAI, INC.	ARICEPT (DONEPEZIL)	5 MG	\$1,286,293	13.5	17,333	8.7	\$74.21	3,783	10.5	\$1,378,206	13.3	20,093	8.6	\$68.59	4,438	10.4	-6.7	-13.7	8.2	-14.8
BOEHRINGER INGELHEIM	COMBIVENT (ALBUTEROL)	—	\$557,349	5.8	15,866	8.0	\$35.13	3,740	10.4	\$729,215	7.0	21,038	9.0	\$34.66	4,999	11.7	-23.6	-24.6	1.3	-25.2
SCHERING	PROVENTIL HFA (ALBUTEROL)	0.09 MG	\$176,172	1.8	9,049	4.5	\$19.47	3,467	9.6	\$143,267	1.3	6,629	2.8	\$21.61	2,450	5.7	23.0	36.5	-9.9	41.5
	ALL OTHER		\$2,500,388	26.4	81,041	41.0	\$30.85	21,653	60.2	\$2,922,805	28.2	102,425	44.1	\$28.54	26,926	63.3	-14.5	-20.9	8.1	-19.6
	TOTAL		\$9,469,552	100.0	197,633	100.0	\$47.91	35,910	100.0	\$10,350,059	100.0	232,038	100.0	\$44.61	42,515	100.0	-8.5	-14.8	7.4	-14.5
<b>BLOOD FORMATION AND COAGULATION AGENTS</b>																				
ER SQUIBB	PLAVIX (CLOPIDOGREL)	75 MG	\$6,624,114	61.0	125,578	47.1	\$52.75	17,197	46.2	\$6,890,220	54.7	131,073	41.0	\$52.57	19,460	44.6	-3.9	-4.2	0.3	-11.6
ORTHO BIOTECH	PROCRT (EPOETIN)	40000 U	\$628,769	5.7	788	0.2	\$797.93	205	0.5	\$891,453	7.0	1,215	0.3	\$733.71	349	0.8	-29.5	-35.1	8.8	-41.3
BOEHRINGER INGELHEIM	AGGRENOX (ASPIRIN/DIPYRIDAMOLE)	25-200 MG	\$612,146	5.6	11,143	4.1	\$54.94	1,736	4.6	\$637,935	5.0	11,590	3.6	\$55.04	1,807	4.1	-4	-3.9	-0.2	-3.9
ORTHO BIOTECH	PROCRT (EPOETIN)	20000 U	\$527,180	4.8	1,115	0.4	\$472.81	309	0.8	\$654,661	5.2	1,414	0.4	\$462.99	422	0.9	-19.5	-21.1	2.1	-26.8
ORTHO BIOTECH	PROCRT (EPOETIN)	10000 U	\$215,281	1.9	864	0.3	\$249.17	234	0.6	\$267,288	2.1	1,358	0.4	\$196.82	332	0.7	-19.5	-36.4	26.6	-29.5
	ALL OTHER		\$2,250,248	20.7	126,763	47.6	\$17.75	20,207	54.3	\$3,235,593	25.7	172,432	54.0	\$18.76	30,608	70.1	-30.5	-26.5	-5.4	-34.0
	TOTAL		\$10,857,738	100.0	266,271	100.0	\$40.78	37,197	100.0	\$12,577,151	100.0	319,082	100.0	\$39.42	43,602	100.0	-13.7	-16.6	3.5	-24.7
<b>CARDIAC DRUGS</b>																				
NOVARTIS	DIOVAN (VALSARTAN)	160 MG	\$867,536	4.3	28,348	2.0	\$30.60	4,322	3.8	\$931,952	3.5	32,513	1.9	\$28.66	5,063	3.8	-6.9	-12.8	6.8	-14.6
NOVARTIS	DIOVAN (VALSARTAN)	80 MG	\$671,269	3.4	24,662	1.8	\$27.22	3,752	3.3	\$794,113	2.9	30,974	1.8	\$25.64	4,824	3.6	-15.5	-20.4	6.2	-22.2
MERCK	COZAAR (LOSARTAN)	50 MG	\$545,361	2.7	16,504	1.2	\$33.04	2,424	2.1	\$758,505	2.8	22,151	1.3	\$34.24	3,184	2.3	-28.1	-25.5	-3.5	-23.9
NOVARTIS	DIOVAN HCT	12.5 MG	\$539,347	2.7	16,510	1.2	\$32.67	2,345	2.0	\$641,088	2.4	20,656	1.2	\$31.04	2,990	2.2	-15.9	-20.1	5.3	-21.6
MERCK	COZAAR (LOSARTAN)	100 MG	\$515,082	2.6	13,172	0.9	\$39.10	1,847	1.6	\$617,240	2.3	15,923	0.9	\$38.76	2,210	1.6	-16.6	-17.3	0.9	-16.4
	ALL OTHER		\$16,595,309	84.0	1,254,139	92.6	\$13.23	109,978	96.8	\$22,829,161	85.9	1,532,404	92.6	\$14.90	128,508	96.7	-27.3	-18.2	-11.2	-14.4
	TOTAL		\$19,733,904	100.0	1,353,335	100.0	\$14.58	113,526	100.0	\$26,572,039	100.0	1,654,621	100.0	\$16.06	132,813	100.0	-25.7	-18.2	-9.2	-15.1
<b>LIPID-LOWERING AGENTS</b>																				
PFIZER	LIPITOR (ATORVASTATIN)	20 MG	\$2,831,438	17.0	59,458	10.7	\$47.62	8,611	12.0	\$3,695,992	17.4	75,589	11.5	\$48.90	11,164	13.4	-23.4	-21.3	-2.6	-22.9
PFIZER	LIPITOR (ATORVASTATIN)	10 MG	\$2,408,541	14.4	73,097	13.1	\$32.95	10,029	14.0	\$3,310,409	15.6	97,540	14.8	\$33.94	13,665	16.4	-27.2	-25.1	-2.9	-28.0
PFIZER	LIPITOR (ATORVASTATIN)	40 MG	\$1,611,313	9.6	33,847	6.1	\$47.61	5,096	7.1	\$1,943,765	9.1	40,221	6.1	\$48.33	6,216	7.4	-17.1	-15.8	-1.5	-16.6
MERCK	ZETIA (EZETIMIBE)	10 MG	\$1,461,248	8.7	42,379	7.6	\$34.48	6,548	9.1	\$1,893,321	8.8	56,273	8.5	\$33.47	8,431	10.1	-22.4	-24.7	3.0	-22.3
ABBOTT	TRICOR (FENOFIBRATE)	145 MG	\$814,363	4.8	19,297	3.4	\$42.20	2,795	3.8	\$888,758	4.1	20,864	3.1	\$42.60	3,035	3.6	-8.4	-7.5	-0.9	-8.2
	ALL OTHER		\$7,503,745	45.1	325,745	58.8	\$23.04	48,116	67.1	\$9,467,611	44.6	364,172	55.6	\$26.00	53,016	63.6	-20.7	-10.6	-11.4	-9.2
	TOTAL		\$16,630,647	100.0	553,823	100.0	\$30.03	71,635	100.0	\$21,189,857	100.0	654,659	100.0	\$32.37	83,286	100.0	-21.5	-15.4	-7.2	-15.0

**TABLE 3.3  
ANNUAL CHANGE IN PACE EXPENDITURE AND UTILIZATION FOR HIGH EXPENDITURE THERAPEUTIC CLASSES  
2007-2008**

MANUFACTURER	PRODUCT	STRENGTH	2008				2007				PERCENT CHANGE: 2007-2008			
			EXPENDITURE	% CLAIMS	COST PER CLAIM	USERS	EXPENDITURE	% CLAIMS	COST PER CLAIM	USERS	CHANGE IN EXPENDITURE	% CHANGE CLAIMS	% CHANGE COST PER CLAIM	% CHANGE USERS
<b>COX-2 INHIBITOR ANTI-INFLAMMATORY DRUGS</b>														
PFIZER	CELEBREX (CELECOXIB)	200 MG	\$2,165,369	93.3	\$61.24	6,834	\$2,371,817	92.5	\$52.53	8,504	-8.7	-21.7	16.6	-19.6
PFIZER	CELEBREX (CELECOXIB)	100 MG	\$152,023	6.5	\$46.26	7,411	\$189,010	7.3	\$43.62	947	-19.6	-24.2	6.1	-21.8
PFIZER	CELEBREX (CELECOXIB)	400 MG	\$1,134	0.0	\$51.56	8	\$3,010	0.1	\$100.32	9	-62.3	-26.7	-48.6	-11.1
PFIZER	CELEBREX (CELECOXIB)	50 MG	\$131	0.0	\$9.37	3	\$20	0.0	\$3.33	2	555.8	133.3	181.0	50.0
	TOTAL		\$2,318,657	100.0	\$59.95	7,470	\$2,563,857	100.0	\$51.77	9,315	-9.6	-21.9	15.8	-19.8
<b>OTHER NONSTEROIDAL ANTI-INFLAMMATORY DRUGS</b>														
PFIZER	ARTHROTEC (DICLOFENAC)	75 MG	\$106,059	20.1	\$64.91	340	\$133,181	19.5	\$59.38	433	-20.4	-27.2	9.3	-21.5
ALCON	NEVANAC (NEPAFENAC)	0.1%	\$76,512	14.5	\$42.48	1,022	\$77,347	11.3	\$46.48	959	-1.1	8.2	-8.6	6.6
PFIZER	ARTHROTEC (DICLOFENAC)	50 MG	\$52,723	10.0	\$63.91	194	\$70,391	10.3	\$60.94	270	-25.1	-28.6	4.9	-28.1
ENDO	VOLTAREN GEL (DICLOFENAC)	1%	\$21,007	3.9	\$24.68	577	\$0	0.0	\$0.00	0	—	—	—	—
TEVA	NABUMETONE	500 MG	\$19,742	3.7	\$16.34	363	\$37,463	5.5	\$19.78	515	-47.3	-36.2	-17.4	-29.5
	ALL OTHER		\$249,222	47.4	\$5.37	14,011	\$361,686	53.1	\$6.16	17,701	-31.1	-20.9	-12.8	-20.8
	TOTAL		\$525,266	100.0	\$9.96	15,648	\$680,068	100.0	\$10.36	19,528	-22.8	-19.7	-3.8	-17.0
<b>OPIATE AGONIST ANALGESICS</b>														
PURDUE PHARMA L.P.	OXYCONTIN (OXYCODONE)	40 MG	\$220,583	9.3	\$185.99	241	\$73,817	2.7	\$235.84	67	198.8	278.9	-21.1	259.7
PURDUE PHARMA L.P.	OXYCONTIN (OXYCODONE)	20 MG	\$195,446	8.2	\$93.11	542	\$54,886	2.0	\$118.80	128	256.1	354.3	-21.6	323.4
PURDUE PHARMA L.P.	OXYCONTIN (OXYCODONE)	80 MG	\$155,326	6.5	\$382.06	95	\$67,784	2.5	\$505.85	27	129.1	220.1	-28.4	251.9
MYLAN	FENTANYL	50 MCG	\$115,357	4.8	\$60.24	633	\$130,870	4.8	\$65.70	655	-11.9	-3.9	-8.3	-3.4
MYLAN	FENTANYL	25 MCG	\$113,632	4.7	\$35.65	1,170	\$100,986	3.7	\$35.47	1,086	12.5	11.9	0.5	7.7
	ALL OTHER		\$1,571,280	66.2	\$42.883	94.1	\$2,278,889	84.1	\$13.10	42,871	-31.1	-17.9	-16.1	-15.3
	TOTAL		\$2,371,624	100.0	\$15.63	36,624	\$2,707,232	100.0	\$15.07	43,139	-12.4	-15.6	3.8	-13.0
<b>ANTIDEPRESSANTS</b>														
FOREST	LEXAPRO (ESCITALOPRAM)	10 MG	\$1,042,860	21.7	\$34.68	5,450	\$1,506,165	24.0	\$40.00	6,937	-30.8	-20.2	-13.3	-21.4
WYETH	EFFEXOR-XR (VENLAFAXINE)	75 MG	\$485,244	10.1	\$61.08	1,356	\$531,588	8.4	\$57.24	1,668	-8.7	-14.5	6.7	-18.7
FOREST	LEXAPRO (ESCITALOPRAM)	20 MG	\$415,306	8.6	\$55.71	1,938	\$513,085	8.1	\$40.29	2,245	-19.1	-8.7	-11.4	-13.7
LILLY, ELI & CO.	CYMBALTA (DULOXETINE)	60 MG	\$412,410	8.6	\$61.04	1,177	\$417,736	6.6	\$61.48	1,281	-1.3	-0.6	-0.7	-8.1
WYETH	EFFEXOR-XR (VENLAFAXINE)	150 MG	\$317,735	6.6	\$57.54	838	\$340,803	5.4	\$54.70	1,012	-6.8	-11.4	5.2	-17.2
	ALL OTHER		\$2,110,315	44.1	\$12.56	26,601	\$2,965,894	47.2	\$14.66	31,433	-28.8	-16.9	-14.4	-15.4
	TOTAL		\$4,783,871	100.0	\$20.80	33,428	\$6,275,271	100.0	\$22.82	39,670	-23.8	-16.4	-8.9	-16.2
<b>ANTIPSYCHOTICS</b>														
LILLY, ELI & CO.	ZYPREXA (OLANZAPINE)	2.5 MG	\$375,150	11.2	\$102.92	676	\$501,054	12.6	\$100.90	875	-25.1	-26.6	2.0	-22.7
LILLY, ELI & CO.	ZYPREXA (OLANZAPINE)	5 MG	\$326,573	9.8	\$114.15	529	\$412,817	10.4	\$111.12	676	-20.9	-23.0	2.7	-21.7
ASTRAZENECA LP	SEROQUEL (QUETIAPINE)	25 MG	\$286,104	8.6	\$43.41	1,343	\$354,094	8.9	\$43.32	1,663	-19.2	-19.4	0.2	-19.2
ER SQUIBB	ABILIFY (ARIPIPIRAZOLE)	5 MG	\$179,775	5.4	\$163.43	268	\$194,883	4.9	\$179.28	266	-7.8	1.2	-8.8	0.8
JANSSSEN	RISPERDAL (RISPERIDONE)	0.5 MG	\$179,052	5.3	\$68.65	723	\$326,508	8.2	\$68.01	1,104	-45.2	-45.7	1.0	-34.5
	ALL OTHER		\$1,973,901	59.4	\$79.63	4,074	\$2,172,871	54.8	\$80.69	4,394	-9.2	-7.9	-1.3	-7.3
	TOTAL		\$3,320,555	100.0	\$79.83	6,159	\$3,962,227	100.0	\$79.77	7,335	-16.2	-16.3	0.1	-15.2

**TABLE 3.3  
ANNUAL CHANGE IN PACE EXPENDITURE AND UTILIZATION FOR HIGH EXPENDITURE THERAPEUTIC CLASSES  
2007-2008**

MANUFACTURER	PRODUCT	STRENGTH	2008				2007				PERCENT CHANGE: 2007-2008									
			EXPENDITURE	% CLAIMS	COST PER CLAIM	USERS	EXPENDITURE	% CLAIMS	COST PER CLAIM	USERS	CHANGE IN EXPENDITURE	% CHANGE CLAIMS	CHANGE IN COST PER CLAIM	% CHANGE USERS						
<b>ANXIOLYTICS, SEDATIVES, AND HYPNOTICS</b>																				
SEPRACOR, INC.	LUNESTA (ESZOPICLONE)	2 MG	\$263,425	8.8	3,519	1.7	\$74.86	782	2.3	\$261,402	6.1	4,063	1.6	\$64.34	1,079	2.5	0.8	-13.4	16.4	-27.5
MYLAN	LORAZEPAM	0.5 MG	\$179,673	6.0	9,652	4.7	\$18.61	2,303	6.8	\$162,673	3.8	9,064	3.6	\$17.95	2,446	5.7	10.4	6.5	3.7	-5.8
COVIDIEN MALLINCKRODT RESTORIL (TEMAZEPAM)		7.5 MG	\$173,873	5.8	933	0.4	\$186.36	296	0.8	\$137,564	3.2	1,216	0.4	\$113.13	448	1.0	26.4	-23.3	64.7	-33.9
SANOFI-AVENTIS	AMBIEN CR (ZOLPIDEM)	6.25 MG	\$148,289	4.9	2,489	1.2	\$59.58	537	1.5	\$244,532	5.7	3,919	1.5	\$62.40	1,011	2.3	-39.4	-36.5	-4.5	-46.9
MYLAN	LORAZEPAM	1 MG	\$139,452	4.6	5,611	2.7	\$24.85	946	2.8	\$99,239	2.3	4,014	1.6	\$24.72	944	2.2	40.5	39.8	0.5	0.2
	ALL OTHER		\$2,079,019	69.6	180,900	89.0	\$11.49	30,957	91.7	\$3,332,768	78.6	227,171	91.0	\$14.67	40,028	94.6	-37.6	-20.4	-21.7	-22.7
	TOTAL		\$2,983,729	100.0	203,104	100.0	\$14.69	33,754	100.0	\$4,238,178	100.0	249,447	100.0	\$16.99	42,269	100.0	-29.6	-18.6	-13.5	-22.1
<b>EYE, EAR, NOSE AND THROAT PREPARATIONS</b>																				
PFIZER	XALATAN (LATANOPROST)	0.005%	\$1,033,802	19.2	32,786	18.6	\$31.53	5,563	15.5	\$1,333,206	21.7	41,606	19.2	\$32.04	6,986	16.2	-22.5	-21.2	-1.6	-20.4
MERCK	COSOPT OCUMETER (Dorzolamide)	—	\$520,518	9.6	9,451	5.3	\$55.08	2,528	7.0	\$653,596	10.6	12,647	5.8	\$51.68	3,188	7.4	-20.4	-25.3	6.6	-20.7
ALLERGAN	RESTASIS (CYCLOSPORINE)	0.05%	\$458,565	8.5	6,060	3.4	\$75.67	1,667	4.6	\$437,999	7.1	6,566	3.0	\$66.71	1,830	4.2	4.7	-7.7	13.4	-8.9
ALLERGAN	LUMIGAN (BIMATOPOST)	0.03%	\$428,457	7.9	13,228	7.5	\$32.39	2,550	7.1	\$457,457	7.4	15,671	7.2	\$29.19	2,982	6.9	-6.3	-15.6	11.0	-14.5
ALCON	TRAVATAN (TRAVOPROST)	0.004%	\$272,526	5.0	8,098	4.6	\$33.65	1,901	5.3	\$382,917	6.2	11,679	5.4	\$32.79	2,853	6.1	-28.8	-30.7	2.6	-28.3
	ALL OTHER		\$2,661,339	49.5	106,305	60.4	\$25.03	30,167	84.3	\$2,852,640	46.6	127,723	59.1	\$22.33	35,803	83.4	-6.7	-16.8	12.1	-15.7
	TOTAL		\$5,375,208	100.0	175,928	100.0	\$30.55	35,770	100.0	\$6,117,815	100.0	215,892	100.0	\$28.34	42,896	100.0	-12.1	-18.5	7.8	-17.0
<b>PROTON PUMP INHIBITOR ANTI-ULCER AGENTS</b>																				
ASTRAZENECA LP	NEXIUM (ESOMEPRAZOLE)	40 MG	\$5,213,322	29.7	69,184	23.4	\$75.35	10,674	23.3	\$5,504,897	27.2	85,965	24.7	\$64.04	13,265	25.2	-5.3	-19.5	17.7	-19.5
TAKEDA	PREVACID (LANSOPRAZOLE)	30 MG	\$2,993,710	17.0	36,489	12.3	\$82.04	5,635	12.3	\$3,824,190	18.9	48,548	13.9	\$78.77	7,515	14.2	-21.7	-24.8	4.2	-25.0
WYETH	PANTOPRAZOLE SODIUM	40 MG	\$1,721,169	9.8	29,200	9.9	\$58.94	7,292	15.9	\$0	0.0	0	0.0	\$0.00	0	0.0	—	—	—	—
EISAI, INC.	ACIPHEX (RABEPRAZOLE)	20 MG	\$1,507,326	8.5	15,732	5.3	\$95.81	2,438	5.3	\$1,859,726	9.2	21,018	6.0	\$88.48	3,307	6.2	-18.9	-25.1	8.3	-26.3
WYETH	PROTONIX (PANTOPRAZOLE)	40 MG	\$1,187,753	6.7	20,580	6.9	\$57.71	8,318	18.2	\$5,769,792	28.5	101,152	29.0	\$57.04	16,669	31.6	-79.4	-79.7	1.2	-50.1
	ALL OTHER		\$4,909,905	28.0	123,310	41.8	\$39.82	25,658	56.1	\$3,251,857	16.0	91,188	26.2	\$35.66	17,406	33.0	51.0	35.2	11.7	47.4
	TOTAL		\$17,533,185	100.0	294,495	100.0	\$59.54	45,677	100.0	\$20,210,462	100.0	347,871	100.0	\$58.10	52,598	100.0	-13.2	-15.3	2.5	3.2
<b>OTHER ANTI-ULCER AGENTS</b>																				
PROCTER & GAMBLE	ASACOL (MESALAMINE)	400 MG	\$309,902	43.3	4,520	10.5	\$68.56	634	7.1	\$333,512	34.0	5,704	9.9	\$58.47	731	5.8	-7.1	-20.8	17.3	-13.3
AXCAN SCANDIPHARM	CARAFATE (SUCRALFATE)	1 GM	\$67,692	9.4	1,490	3.4	\$45.43	489	5.5	\$64,153	6.5	1,631	2.8	\$39.33	586	4.6	5.5	-8.6	15.5	-16.6
SHIRE US, INC.	PENTASA (MESALAMINE)	500 MG	\$45,463	6.3	428	0.9	\$106.22	61	0.6	\$56,490	5.7	580	1.0	\$97.40	67	0.5	-19.5	-26.2	9.1	-9.0
SHIRE US, INC.	LIALDA (MESALAMINE)	1.2 GM	\$28,691	4.0	215	0.5	\$133.45	40	0.4	\$10,479	1.0	61	0.1	\$171.79	19	0.1	173.8	252.5	-22.3	110.5
AXCAN SCANDIPHARM	CANASA (MESALAMINE)	1000 MG	\$17,603	2.4	165	0.3	\$106.68	73	0.8	\$15,046	1.5	157	0.2	\$95.84	78	0.6	17.0	5.1	11.3	-6.4
	ALL OTHER		\$245,493	34.3	36,147	84.1	\$67.79	7,747	87.8	\$500,670	51.0	49,325	85.8	\$10.15	11,310	90.5	-51.0	-26.7	-33.1	-31.5
	TOTAL		\$714,843	100.0	42,965	100.0	\$16.64	8,818	100.0	\$980,350	100.0	57,458	100.0	\$17.06	12,496	100.0	-27.1	-25.2	-2.5	-29.3
<b>ANTI-DIABETIC AGENTS</b>																				
TAKEDA	ACTOS (PIOGLITAZONE)	30 MG	\$1,152,298	11.4	15,679	4.4	\$73.49	2,446	7.1	\$1,413,627	12.3	18,577	4.3	\$76.10	3,113	7.7	-18.5	-15.6	-3.4	-21.4
SANOFI-AVENTIS	LANTUS (INSULIN)	100 U	\$1,043,872	10.3	22,145	6.2	\$47.14	4,360	12.6	\$970,336	8.4	23,123	5.4	\$41.96	4,735	11.7	7.6	-4.2	12.3	-7.9
TAKEDA	ACTOS (PIOGLITAZONE)	45 MG	\$946,094	9.3	11,990	3.4	\$78.91	1,687	4.9	\$1,148,283	10.0	14,567	3.4	\$78.83	2,182	5.4	-17.6	-17.7	0.1	-22.7
MERCK	JANUVIA (SITAGLIPTIN)	100 MG	\$906,598	9.0	11,288	3.2	\$80.32	1,897	5.5	\$677,038	5.9	6,467	1.5	\$104.69	1,515	3.7	33.9	74.5	-23.3	25.2
TAKEDA	ACTOS (PIOGLITAZONE)	15 MG	\$566,745	5.6	12,151	3.4	\$46.64	1,921	5.5	\$637,291	5.5	14,287	3.3	\$44.61	2,469	6.1	-11.1	-15.0	4.6	-22.2
	ALL OTHER		\$5,455,198	54.1	278,594	79.1	\$19.58	32,030	93.1	\$6,581,871	57.5	345,362	81.7	\$19.06	38,053	94.2	-17.1	-19.3	2.7	-15.8
	TOTAL		\$10,070,805	100.0	351,847	100.0	\$28.62	34,370	100.0	\$11,428,446	100.0	422,383	100.0	\$27.06	40,389	100.0	-11.9	-16.7	5.8	-14.8

**TABLE 3.3  
ANNUAL CHANGE IN PACE EXPENDITURE AND UTILIZATION FOR HIGH EXPENDITURE THERAPEUTIC CLASSES  
2007-2008**

MANUFACTURER	PRODUCT	STRENGTH	2008				2007				PERCENT CHANGE: 2007-2008									
			EXPENDITURE	% CLAIMS	COST PER CLAIM	USERS	EXPENDITURE	% CLAIMS	COST PER CLAIM	USERS	CHANGE IN EXPENDITURE	% CHANGE CLAIMS	% CHANGE COST PER CLAIM	% CHANGE USERS						
<b>OTHER HORMONES AND SYNTHETIC AGENTS</b>																				
GLAXOSMITHKLINE	ADVAIR DISKUS 250/50 (FLUTICASON)	250-50 MCG	\$2,060,578	40.2	26,702	8.1	\$77.17	6,130	11.9	\$2,365,911	38.9	30,852	7.9	\$76.69	7,070	11.9	-12.9	-13.5	0.6	-13.3
GLAXOSMITHKLINE	ADVAIR DISKUS 500/50 (FLUTICASON)	500-50 MCG	\$751,673	14.6	7,520	2.3	\$99.96	1,681	3.2	\$860,861	14.1	8,502	2.1	\$101.25	1,956	3.2	-12.7	-11.6	-1.3	-14.1
GLAXOSMITHKLINE	ADVAIR DISKUS 100/50 (FLUTICASON)	100-50 MCG	\$471,575	9.2	7,788	2.3	\$60.55	1,901	3.7	\$570,942	9.3	10,066	2.5	\$56.72	2,514	4.2	-17.4	-22.6	6.8	-24.4
GLAXOSMITHKLINE	FLOVENT HFA (FLUTICASON)	0.11 MG	\$166,319	3.2	3,391	1.0	\$49.05	939	1.8	\$222,225	3.6	4,689	1.2	\$47.39	1,249	2.1	-25.2	-27.7	3.5	-24.8
GLAXOSMITHKLINE	FLOVENT HFA (FLUTICASON)	0.22 MG	\$141,331	2.7	2,192	0.6	\$64.48	553	1.0	\$205,333	3.3	2,798	0.7	\$73.39	727	1.2	-31.2	-21.7	-12.1	-23.9
	ALL OTHER		\$1,532,962	29.9	279,081	85.4	\$5.49	46,170	90.0	\$1,854,433	30.5	330,780	85.3	\$5.61	52,952	89.2	-17.3	-15.6	-2.0	-12.8
	TOTAL		\$5,124,438	100.0	326,674	100.0	\$15.69	51,278	100.0	\$6,079,706	100.0	387,687	100.0	\$15.68	59,362	100.0	-15.7	-15.7	0.0	-13.7
<b>OSTEOPOROSIS DRUGS</b>																				
PROCTER & GAMBLE	ACTONEL (RISEDRONATE)	35 MG	\$1,515,621	22.6	43,069	23.8	\$35.19	6,030	23.0	\$1,821,413	20.1	55,693	23.9	\$32.70	7,815	24.6	-16.8	-22.7	7.6	-22.8
ROCHE LABORATORIES	BONIVA (IBANDRONATE)	150 MG	\$952,277	14.2	19,198	10.6	\$49.60	3,255	12.4	\$948,672	10.4	19,503	8.4	\$48.64	3,454	10.9	0.4	-1.6	2.0	-5.8
LILLY, ELI & CO.	EVISTA (RALOXIFENE)	60 MG	\$917,467	13.7	23,150	12.8	\$39.63	3,052	11.6	\$1,141,397	12.6	29,837	12.8	\$38.25	3,839	12.1	-19.6	-22.4	3.6	-20.5
LILLY, ELI & CO.	FORTEO (TERIPARATIDE)	250 MCG	\$823,487	12.3	1,960	1.0	\$420.15	352	1.3	\$1,140,435	12.6	2,595	1.1	\$439.47	472	1.4	-27.8	-24.5	-4.4	-25.4
MERCK	FOSAMAX (ALENDRONATE)	70 MG	\$570,513	8.5	14,684	8.1	\$38.85	7,356	28.1	\$2,657,313	29.4	86,670	37.3	\$30.66	12,183	38.4	-78.5	-83.1	26.7	-39.6
	ALL OTHER		\$1,899,024	28.4	78,286	43.4	\$24.26	13,650	52.1	\$1,328,196	14.6	37,790	16.2	\$35.15	6,701	21.1	43.0	107.2	-31.0	103.7
	TOTAL		\$6,678,389	100.0	180,347	100.0	\$37.03	26,159	100.0	\$9,037,426	100.0	232,088	100.0	\$38.94	31,673	100.0	-26.1	-22.3	-4.9	-2.2
<b>ALL OTHER DRUGS</b>																				
FOREST	NAMENDA (MEMANTINE)	10 MG	\$1,670,294	6.3	24,872	1.9	\$67.16	3,758	3.2	\$1,799,845	5.8	27,621	1.7	\$65.16	4,291	3.1	-7.2	-10.0	3.1	-12.4
PFIZER	DETROL LA (TOLTERODINE)	4 MG	\$1,406,564	5.3	28,756	2.2	\$48.91	5,001	4.3	\$1,623,236	5.2	34,787	2.2	\$46.86	6,057	4.4	-13.3	-17.3	4.8	-17.4
ASTRAZENECA LP	ARIMIDEX (ANASTROZOLE)	1 MG	\$1,034,171	3.9	8,845	0.6	\$116.92	1,257	1.0	\$1,161,717	3.7	11,046	0.7	\$105.17	1,498	1.1	-11.0	-19.9	11.2	-16.1
MERCK	SINGULAIR (MONTELUKAST)	10 MG	\$1,024,019	3.8	24,837	1.9	\$41.23	3,879	3.3	\$1,232,002	3.9	29,275	1.8	\$42.08	4,613	3.4	-16.9	-15.2	-2.0	-15.9
BOEHRINGER INGELHEIM	FLOWAX (TAMSULOSIN)	0.4 MG	\$939,582	3.5	25,725	1.9	\$36.52	4,280	3.6	\$973,674	3.1	29,827	1.8	\$32.64	5,068	3.7	-3.5	-13.8	11.9	-15.5
	ALL OTHER		\$20,281,439	76.9	1,187,516	91.3	\$17.08	112,599	97.2	\$24,177,942	78.0	1,439,184	91.5	\$16.80	131,776	97.3	-16.1	-17.5	1.7	-14.6
	TOTAL		\$26,356,070	100.0	1,300,551	100.0	\$20.27	115,750	100.0	\$30,968,416	100.0	1,571,740	100.0	\$19.70	135,372	100.0	-14.9	-17.3	2.9	-14.7
<b>TOTAL (ALL CATEGORIES)</b>			\$147,793,363	100.0	5,915,162	100.0	\$24.99	154,464	100.0	\$179,440,820	100.0	7,148,735	100.0	\$25.10	178,856	100.0	-17.6	-17.3	-0.5	-14.6

DATA INCLUDE ORIGINAL, PAID CLAIMS BY DATE OF PAYMENT FOR PACE ONLY, EXCLUDING PACENET. THERAPEUTIC CLASSES ARE BASED ON THE AMERICAN HOSPITAL FORMULARY SERVICE (AHFS) CLASSIFICATION SYSTEM, AS PROVIDED BY RED BOOK (SEE APPENDIX B).

**TABLE 3.4  
PACE AND PACENET NUMBER AND PERCENT OF EXPENDITURES AND CLAIMS BY MANUFACTURER  
JANUARY - DECEMBER 2008**

<u>MANUFACTURER</u>	<u>ASSOCIATED NDC LABELER CODES</u>	<u>RANK BY EXPENDITURE</u>	<u>EXPENDITURE</u>	<u>% OF ALL EXPENDITURES</u>	<u>CLAIMS</u>	<u>% OF ALL CLAIMS</u>
PFIZER	00009, 00013, 00025, 00049, 00069, 00071, 59762, 63010	1	\$33,462,403.31	11.0%	919,396	7.7%
ASTRA ZENECA	00186, 00310, 61113	2	\$21,057,443.43	6.9%	305,791	2.6%
NOVARTIS	00028, 00067, 00078, 00083, 00185, 00781, 53905, 58768, 66521, 66685	3	\$19,678,735.80	6.5%	913,460	7.7%
MERCK	00006, 66582	4	\$18,088,757.67	5.9%	426,883	3.6%
BRISTOL-MYERS SQUIBB	00003, 00015, 00056, 00072, 00087, 59772, 62269, 63653	5	\$17,236,424.77	5.7%	350,374	3.0%
GLAXOSMITHKLINE	00007, 00029, 00173, 19515, 65726	6	\$15,461,420.92	5.1%	249,839	2.1%
TAKEDA	00300, 64764	7	\$13,698,212.38	4.5%	173,893	1.5%
BOEHRINGER INGELHEIM	00054, 00597	8	\$12,794,242.02	4.2%	317,895	2.7%
EISAI	58063, 62856	9	\$11,479,856.64	3.8%	144,067	1.2%
TEVA	00093, 00172, 00182, 00332, 00575, 00703, 38245, 55953, 57844, 68546	10	\$11,120,231.71	3.7%	1,114,118	9.4%
LILLY	00002, 00777	11	\$10,483,904.94	3.4%	150,697	1.3%
MYLAN	00378, 15330, 51079, 62794	12	\$8,513,282.29	2.8%	1,523,405	12.8%
WYETH	00008, 00046, 00206	13	\$8,269,414.93	2.7%	155,608	1.3%
FOREST	00258, 00456, 00785	14	\$7,564,983.27	2.5%	177,703	1.5%
JOHNSON & JOHNSON	00045, 00062, 10147, 17314, 50458, 50580, 57894, 59676, 68669	15	\$7,350,605.05	2.4%	75,374	0.6%

**TABLE 3.4**  
**PACE AND PACENET NUMBER AND PERCENT OF EXPENDITURES AND CLAIMS BY MANUFACTURER**  
**JANUARY - DECEMBER 2008**

<u>MANUFACTURER</u>	<u>ASSOCIATED NDC LABELER CODES</u>	<u>RANK BY EXPENDITURE</u>	<u>EXPENDITURE</u>	<u>% OF ALL EXPENDITURES</u>	<u>CLAIMS</u>	<u>% OF ALL CLAIMS</u>
SANOFI-AVENTIS	00024, 00039, 00066, 00068, 00075, 00088, 00955, 49281	16	\$6,148,617.50	2.0%	89,406	0.8%
ABBOTT	00044, 00074, 57599, 60598	17	\$5,999,047.37	2.0%	131,480	1.1%
NOVO NORDISK	00169	18	\$4,274,201.01	1.4%	79,460	0.7%
AMGEN USA INC	55513, 58406	19	\$4,188,075.74	1.4%	6,871	0.1%
PROCTER & GAMBLE	00149	20	\$3,901,529.28	1.3%	99,775	0.8%
ALLERGAN	00023, 11980, 60758	21	\$3,363,923.64	0.0%	94,768	0.8%
APOTEX	60505	22	\$3,051,293.05	1.0%	295,949	2.5%
CELGENE	59572	23	\$2,660,830.40	0.9%	1,150	0.0%
DAIICHI SANKYO	63395, 65597	24	\$2,652,324.57	0.9%	83,720	0.7%
SCHERING-PLOUGH	00052, 00085, 11523, 41100, 59930	25	\$2,612,735.48	0.9%	108,615	0.9%
TOTAL, TOP 25 MANUFACTURERS			\$255,112,497.17	83.7%	7,989,697	67.3%
TOTAL, ALL OTHER MANUFACTURERS			\$49,549,687.17	16.3%	3,881,422	32.7%
TOTAL, ALL MANUFACTURERS			\$304,662,184.34	100.0%	11,871,119	100.0%

SOURCE: PDA CLAIMS HISTORY

NOTES: DATA INCLUDE ORIGINAL, PAID CLAIMS BY DATE OF PAYMENT.

MANUFACTURER DATA ARE SUMMARIZED BY THE FIRST FIVE DIGITS OF THE 11-DIGIT NATIONAL DRUG CODE, I.E., LABELER CODE.

**TABLE 3.5  
MANUFACTURERS' REBATE CASH RECEIPTS  
BY QUARTER/YEAR BILLED AND BY FISCAL YEAR RECEIVED  
JANUARY 1991 - DECEMBER 2008**

QUARTER/YEAR BILLED	FISCAL YEAR RECEIVED												TOTAL		
	91-92 THROUGH 95-96 RECEIPTS	96-97 RECEIPTS	97-98 RECEIPTS	98-99 RECEIPTS	99-00 RECEIPTS	00-01 RECEIPTS	01-02 RECEIPTS	02-03 RECEIPTS	03-04 RECEIPTS	04-05 RECEIPTS	05-06 RECEIPTS	06-07 RECEIPTS		07-08 RECEIPTS	08-09 YTD RECEIPTS
JAN-DEC 1991	\$22,531,025	\$0	\$0	\$111,648	\$59,631	\$71,572	(\$6,354)	(\$14,702)	(\$2,038)	\$0	\$0	\$0	\$20,846	\$0	\$22,771,627
JAN-DEC 1992	\$28,924,417	\$0	\$55	\$396,718	\$466,946	\$2,241	\$295,009	\$34,972	\$4,219	\$0	\$0	\$0	\$19,211	\$0	\$30,143,789
JAN-DEC 1993	\$31,528,069	\$0	\$19,429	\$158,574	\$2,877	\$7,924	(\$120,021)	\$401,990	\$5,661	\$0	\$0	\$0	\$12,634	\$0	\$32,017,138
JAN-DEC 1994	\$30,660,789	\$0	\$26,347	\$33,537	(\$14,187)	\$1,444	(\$53,014)	\$7,377	\$3,868	\$0	\$0	\$248	\$0	\$0	\$30,666,411
JAN-DEC 1995	\$32,279,658	\$252,325	\$35,278	\$31,532	\$11,286	\$949	\$40,725	(\$100,326)	\$91,350	\$0	\$0	\$0	\$0	\$0	\$32,642,778
JAN-DEC 1996	\$5,821,513	\$25,449,630	\$75,201	\$79,041	(\$36,716)	(\$21,051)	(\$189,464)	(\$43,469)	\$42,279	\$0	\$0	\$0	\$2,285	\$0	\$31,179,247
JAN-DEC 1997	\$0	\$868,074	\$37,108,643	\$363,095	\$22,849	\$296,578	\$31,057	\$64,988	\$29,634	\$1,537	\$1,552	\$0	\$12,686	\$0	\$38,800,695
JAN-DEC 1998	\$0	\$0	\$9,526,971	\$35,064,295	\$3,612,304	\$96,661	\$562,082	\$31,412	(\$33,567)	\$1,473	\$1,788	\$0	\$12,158	\$0	\$48,875,579
JAN-DEC 1999	\$0	\$0	\$0	\$8,765,506	\$42,269,303	\$1,097,329	\$20,941	(\$166,284)	\$85,243	\$217,717	\$217,671	\$0	\$1,280	\$8,203	\$52,516,910
JAN-DEC 2000	\$0	\$0	\$0	\$0	\$7,924,800	\$47,195,608	\$3,737,393	(\$447,591)	(\$616,680)	\$1,007,093	\$823	\$0	\$186,718	\$0	\$58,988,164
JAN-DEC 2001	\$0	\$0	\$0	\$0	\$0	\$12,126,291	\$45,813,154	\$1,288,679	(\$386,926)	(\$519,910)	(\$78,055)	\$18	\$0	\$0	\$58,243,251
JAN-DEC 2002	\$0	\$0	\$0	\$0	\$0	\$0	\$10,339,259	\$60,830,701	\$288,842	\$3,927,461	\$443,563	\$3,115	\$4,075	\$713	\$75,837,728
JAN-DEC 2003	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,050,874	\$73,444,391	\$17,745,590	\$7,358,829	(\$2,733,936)	\$2,140	\$51,879	\$100,919,767
JAN-MAR 2004	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,482,655	\$16,273,577	\$16,273,577	\$660,588	\$361,277	\$462,584	\$0	\$29,240,681
APR-JUN 2004	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$29,708,534	\$2,063,356	\$425,464	\$188,281	(\$52)	\$32,385,583
JUL-SEP 2004	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$28,671,294	\$1,572,262	\$551,444	(\$520,986)	\$0	\$30,274,015
OCT-DEC 2004	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,735,007	\$6,899,320	\$313,698	\$41,201	\$1,598	\$31,990,825
JAN-MAR 2005	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,450,103	\$23,322,157	\$260,308	(\$540,632)	\$2,485	\$35,494,421
APR-JUN 2005	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$30,831,573	\$281,060	\$16,745	\$44,456	\$31,173,834
JUL-SEP 2005	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$33,196,236	\$519,425	\$252,481	(\$23,197)	\$33,944,945
OCT-DEC 2005	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$32,485,824	\$410,268	(\$781,153)	\$90,214	\$32,205,153
JAN-MAR 2006	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25,420,400	\$10,542,899	\$205,139	\$19,738	\$36,188,177
APR-JUN 2006	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$34,205,769	(\$187,686)	\$352,211	\$34,370,294
JUL-SEP 2006	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$33,499,014	\$821,162	\$214,935	\$34,535,112
OCT-DEC 2006	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,179,308	\$809,776	\$37,707	\$14,026,791
JAN-MAR 2007	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,579,637	\$10,042,696	(\$52,713)	\$16,569,620
APR-JUN 2007	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,327,483	\$43,333	\$14,370,817
JUL-SEP 2007	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$19,514,578	(\$37,114)	\$19,477,463
OCT-DEC 2007	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$19,182,687	\$187,409	\$19,370,096
JAN-MAR 2008	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,781,679	\$3,098,553	\$7,880,232
APR-JUN 2008	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,771,792
JUL-SEP 2008	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,021,198
<b>TOTAL</b>	\$151,745,472	\$26,570,030	\$46,791,924	\$45,003,946	\$54,319,094	\$60,875,546	\$60,470,770	\$66,938,621	\$84,438,932	\$134,219,475	\$164,397,888	\$98,399,018	\$68,890,067	\$31,833,348	\$1,094,894,132

SOURCE: PDA CHECK RECEIPTS AS REPORTED ON STATE STATUS REPORT FOR WEEK ENDING DECEMBER 26, 2008.

**SECTION 4**

**CARDHOLDER  
UTILIZATION  
DATA**



**TABLE 4.1  
PACE AND PACENET CARDHOLDER ENROLLMENTS BY QUARTER**

**PACE**

		<b>JULY 1984 - JUNE 1988</b>		
	<b><u>QUARTER</u></b>	<b><u>NEWLY ENROLLED *</u></b>	<b><u>% OF NEWLY ENROLLED</u></b>	<b><u>CUMULATIVE ENROLLMENTS</u></b>
FIRST	JUL-SEP 1984	273,001	100.0	273,001
PROGRAM	OCT-DEC 1984	23,561	7.9	296,562
YEAR	JAN-MAR 1985	20,941	6.6	317,503
	APR-JUN 1985	69,436	17.9	386,939
SECOND	JUL-SEP 1985	38,750	10.0	389,177
PROGRAM	OCT-DEC 1985	20,522	5.0	409,699
YEAR	JAN-MAR 1986	18,770	4.4	428,469
	APR-JUN 1986	17,367	3.9	445,836
THIRD	JUL-SEP 1986	23,595	5.6	420,776
PROGRAM	OCT-DEC 1986	14,982	3.4	435,758
YEAR	JAN-MAR 1987	18,130	4.0	453,888
	APR-JUN 1987	18,853	4.0	472,741
FOURTH	JUL-SEP 1987	26,133	5.9	439,967
PROGRAM	OCT-DEC 1987	10,432	2.3	450,399
YEAR	JAN-MAR 1988	13,429	2.9	463,828
	APR-JUN 1988	13,944	2.9	477,772

**PACE**

		<b>JULY 1988 - JUNE 1996</b>		
	<b><u>QUARTER</u></b>	<b><u>CUMULATIVE NEWLY ENROLLED</u></b>	<b><u>% OF NEWLY ENROLLED</u></b>	<b><u>ENROLLMENT AT END OF QUARTER**</u></b>
FIFTH	JUL-SEP 1988	15,990	3.6	443,518
PROGRAM	OCT-DEC 1988	26,069	5.7	454,428
YEAR	JAN-MAR 1989	41,866	9.1	460,232
	APR-JUN 1989	57,406	12.7	451,547
SIXTH	JUL-SEP 1989	9,847	2.2	438,834
PROGRAM	OCT-DEC 1989	17,787	4.2	426,822
YEAR	JAN-MAR 1990	30,278	7.1	424,120
	APR-JUN 1990	40,169	9.8	408,493
SEVENTH	JUL-SEP 1990	6,714	1.7	394,821
PROGRAM	OCT-DEC 1990	26,742	6.9	384,854
YEAR	JAN-MAR 1991	37,239	9.7	383,792
	APR-JUN 1991	46,020	12.4	371,592
EIGHTH	JUL-SEP 1991	8,657	2.3	370,654
PROGRAM	OCT-DEC 1991	17,529	4.7	373,365
YEAR	JAN-MAR 1992	31,581	8.4	375,697
	APR-JUN 1992	44,986	12.2	369,919
NINTH	JUL-SEP 1992	7,115	2.0	355,319
PROGRAM	OCT-DEC 1992	13,436	3.9	347,371
YEAR	JAN-MAR 1993	29,556	8.4	353,309
	APR-JUN 1993	41,397	12.1	341,361
TENTH	JUL-SEP 1993	6,658	2.0	334,757
PROGRAM	OCT-DEC 1993	11,519	3.5	331,338
YEAR	JAN-MAR 1994	20,162	6.2	324,160
	APR-JUN 1994	33,967	10.4	325,090
ELEVENTH	JUL-SEP 1994	7,091	2.3	312,413
PROGRAM	OCT-DEC 1994	11,167	3.6	307,231
YEAR	JAN-MAR 1995	22,732	7.3	311,450
	APR-JUN 1995	31,995	10.5	304,153
TWELFTH	JUL-SEP 1995	5,382	1.8	298,732
PROGRAM	OCT-DEC 1995	8,278	2.9	289,919
YEAR	JAN-MAR 1996	16,146	5.6	290,460
	APR-JUN 1996	22,518	8.1	279,397

**TABLE 4.1  
PACE AND PACENET CARDHOLDER ENROLLMENTS BY QUARTER  
JULY 1996 - DECEMBER 2008**

		<u>PACE</u>			<u>PACENET</u>		
	<u>QUARTER</u>	<u>CUMULATIVE NEWLY ENROLLED</u>	<u>% OF NEWLY ENROLLED</u>	<u>ENROLLMENT AT END OF QUARTER**</u>	<u>CUMULATIVE NEWLY ENROLLED</u>	<u>% OF NEWLY ENROLLED</u>	<u>ENROLLMENT AT END OF QUARTER</u>
THIRTEENTH PROGRAM YEAR	JUL-SEP 1996	4,127	1.5	267,049			
	OCT-DEC 1996	9,332	3.6	260,678	1,523	100.0	1,523
	JAN-MAR 1997	23,797	8.6	275,607	5,771	100.0	5,771
	APR-JUN 1997	30,602	11.6	264,414	9,088	100.0	9,088
FOURTEENTH PROGRAM YEAR	JUL-SEP 1997	4,536	1.8	257,291	1,949	17.7	11,037
	OCT-DEC 1997	8,694	3.5	250,671	3,801	29.5	12,889
	JAN-MAR 1998	16,693	6.6	251,915	5,710	48.5	11,771
	APR-JUN 1998	22,838	9.3	245,553	7,419	53.8	13,802
FIFTEENTH PROGRAM YEAR	JUL-SEP 1998	4,375	1.8	237,753	879	5.8	15,213
	OCT-DEC 1998	8,042	3.5	230,722	1,504	9.4	15,964
	JAN-MAR 1999	14,744	6.4	231,049	3,216	19.9	16,164
	APR-JUN 1999	20,672	9.1	227,041	4,722	27.2	17,372
SIXTEENTH PROGRAM YEAR	JUL-SEP 1999	4,086	1.8	221,535	761	4.2	18,195
	OCT-DEC 1999	7,981	3.7	217,103	1,510	8.1	18,655
	JAN-MAR 2000	18,146	8.2	220,896	4,169	21.6	19,298
	APR-JUN 2000	25,583	11.8	217,140	6,125	30.1	20,375
SEVENTEENTH PROGRAM YEAR	JUL-SEP 2000	5,061	2.4	213,041	1,032	4.9	21,223
	OCT-DEC 2000	10,283	4.9	208,227	2,034	9.3	21,781
	JAN-MAR 2001	19,041	9.1	208,299	4,610	20.8	22,167
	APR-JUN 2001	24,932	12.0	207,193	6,603	28.9	22,875
EIGHTEENTH PROGRAM YEAR	JUL-SEP 2001	3,877	1.9	204,839	1,710	6.9	24,929
	OCT-DEC 2001	7,907	4.0	199,898	3,132	12.1	25,873
	JAN-MAR 2002	16,319	8.2	199,719	6,931	23.3	29,692
	APR-JUN 2002	22,742	11.4	198,629	9,938	32.7	30,346
NINETEENTH PROGRAM YEAR	JUL-SEP 2002	3,490	1.8	191,935	1,378	4.6	29,980
	OCT-DEC 2002	6,925	3.7	188,566	2,476	8.2	30,356
	JAN-MAR 2003	13,384	7.0	190,697	5,516	17.5	31,464
	APR-JUN 2003	21,287	10.9	194,961	9,654	29.7	32,520
TWENTIETH PROGRAM YEAR	JUL-SEP 2003	4,467	2.4	187,914	2,299	6.8	33,855
	OCT-DEC 2003	8,106	4.4	185,143	3,737	10.9	34,314
	JAN-MAR 2004	21,568	10.8	200,130	37,246	51.4	72,474
	APR-JUN 2004	28,312	14.3	197,600	43,224	49.7	87,007
TWENTY-FIRST PROGRAM YEAR	JUL-SEP 2004	4,222	2.2	194,488	7,598	8.1	94,002
	OCT-DEC 2004	6,717	3.5	191,669	15,186	15.3	99,572
	JAN-MAR 2005	13,536	7.0	193,946	25,934	28.2	92,035
	APR-JUN 2005	19,467	10.2	190,273	35,063	34.2	102,622
TWENTY-SECOND PROGRAM YEAR	JUL-SEP 2005	3,935	2.1	187,696	6,301	5.9	107,240
	OCT-DEC 2005	9,001	4.8	188,495	15,579	13.3	116,755
	JAN-MAR 2006	14,476	7.6	190,654	25,774	20.8	123,687
	APR-JUN 2006	23,477	12.5	187,311	42,841	33.4	128,212
TWENTY-THIRD PROGRAM YEAR	JUL-SEP 2006	2,084	1.1	184,106	3,182	2.5	127,978
	OCT-DEC 2006	5,269	2.9	179,240	11,330	8.5	132,764
	JAN-MAR 2007	8,687	4.8	182,332	19,571	14.6	134,018
	APR-JUN 2007	11,621	6.5	178,746	26,974	19.7	136,805
TWENTY-FOURTH PROGRAM YEAR	JUL-SEP 2007	2,143	1.2	174,824	3,940	2.8	138,701
	OCT-DEC 2007	4,477	2.8	158,560	8,642	5.5	157,874
	JAN-MAR 2008	6,956	4.5	155,547	19,078	11.9	160,227
	APR-JUN 2008	9,712	6.3	155,026	29,033	17.2	169,043
TWENTY-FIFTH PROGRAM YEAR	JUL-SEP 2008	2,321	1.5	150,074	6,087	3.6	170,931
	OCT-DEC 2008	4,873	3.4	141,712	11,833	6.8	173,460

\* THE NEWLY ENROLLED NUMBER IS CALCULATED AS A TOTAL FOR THE QUARTER.

\*\* ENROLLMENT AT END OF QUARTER REPRESENTS THE ENROLLMENT REPORTED ON THE LAST DAY OF THE QUARTER (I.E., 141,712 PACE CARDHOLDERS AND 173,460 PACENET CARDHOLDERS ON THE FILE ON DECEMBER 31, 2008).

**TABLE 4.2A**  
**PACE CARDHOLDER ENROLLMENT, PARTICIPATION, UTILIZATION, AND EXPENDITURES**  
**BY DEMOGRAPHIC CHARACTERISTICS**  
**JANUARY - DECEMBER 2008**

	TOTAL ENROLLED CARDHOLDERS	TOTAL PARTICIPATING CARDHOLDERS	TOTAL CLAIMS	PERCENT OF TOTAL CLAIMS	CLAIMS PER PARTICIPATING CARDHOLDER	TOTAL EXPENDITURES	STATE SHARE PER PARTICIPATING CARDHOLDER	PERCENT OF ALL EXPENDITURES
TOTAL	171,225	141,150	5,892,613	100.0	41.7	\$146,167,282	\$1,035.55	100.0
SEX								
FEMALE	137,359	116,273	4,973,381	84.4	42.8	\$123,084,555	\$1,058.58	84.2
MALE	33,866	24,877	919,232	15.6	37.0	\$23,082,727	\$927.87	15.8
AGE								
65-69 YEARS	21,576	16,349	581,241	9.9	35.6	\$15,709,094	\$960.86	10.7
70-74 YEARS	28,408	23,292	962,493	16.3	41.3	\$24,380,653	\$1,046.74	16.7
75-79 YEARS	35,146	29,687	1,275,587	21.6	43.0	\$31,677,784	\$1,067.06	21.7
80-84 YEARS	38,715	32,975	1,446,966	24.6	43.9	\$35,221,237	\$1,068.12	24.1
85 YEARS OR OVER	47,380	38,847	1,626,326	27.6	41.9	\$39,178,514	\$1,008.53	26.8
RESIDENCE TYPE								
OWN	92,702	76,886	3,119,962	52.9	40.6	\$80,487,184	\$1,046.84	55.1
RENT	46,462	37,861	1,596,208	27.1	42.2	\$36,296,673	\$958.68	24.8
NURSING HOME/ PERSONAL CARE HOME	4,305	3,239	180,903	3.1	55.9	\$5,199,460	\$1,605.27	3.6
LIVE WITH RELATIVE	15,720	13,076	586,643	10.0	44.9	\$14,848,995	\$1,135.59	10.2
OTHER	9,891	8,393	345,131	5.9	41.1	\$7,670,736	\$913.94	5.2
MISSING	2,145	1,695	63,766	1.1	37.6	\$1,664,234	\$981.85	1.1
MARITAL STATUS								
SINGLE OR WIDOWED	129,640	107,813	4,567,061	77.5	42.4	\$111,405,582	\$1,033.32	76.2
MARRIED	20,583	16,477	638,244	10.8	38.7	\$16,917,754	\$1,026.75	11.6
DIVORCED	15,559	12,492	499,685	8.5	40.0	\$12,598,438	\$1,008.52	8.6
MARRIED, LIVING SEPARATELY	5,443	4,368	187,623	3.2	43.0	\$5,245,508	\$1,200.89	3.6

**TABLE 4.2A  
PACE CARDHOLDER ENROLLMENT, PARTICIPATION, UTILIZATION, AND EXPENDITURES  
BY DEMOGRAPHIC CHARACTERISTICS  
JANUARY - DECEMBER 2008**

	TOTAL ENROLLED CARDHOLDERS	TOTAL PARTICIPATING CARDHOLDERS	TOTAL CLAIMS	PERCENT OF TOTAL CLAIMS	CLAIMS PER PARTICIPATING CARDHOLDER	TOTAL EXPENDITURES	STATE SHARE PER PARTICIPATING CARDHOLDER	PERCENT OF ALL EXPENDITURES
<b>ETHNIC ORIGIN</b>								
WHITE	146,953	123,322	5,300,829	90.0	43.0	\$129,062,003	\$1,046.54	88.3
AFRICAN-AMERICAN	14,773	11,057	366,095	6.2	33.1	\$10,605,342	\$959.15	7.3
AMERICAN INDIAN	203	152	5,709	0.1	37.6	\$146,878	\$966.30	0.1
HISPANIC	1,875	1,370	48,148	0.8	35.1	\$1,139,058	\$831.43	0.8
ASIAN	828	593	18,077	0.3	30.5	\$679,954	\$1,146.63	0.5
OTHER	685	449	13,366	0.2	29.8	\$428,441	\$954.21	0.3
MISSING	5,908	4,207	140,389	2.4	33.4	\$4,105,607	\$975.90	2.8
<b>INCOME - SINGLE</b>								
\$0-\$2,999	5,139	2,340	97,072	1.6	41.5	\$2,695,316	\$1,151.84	1.8
\$3,000-\$5,999	4,621	3,490	131,124	2.2	37.6	\$3,193,786	\$915.12	2.2
\$6,000-\$8,999	16,685	13,448	518,951	8.8	38.6	\$13,102,925	\$974.34	9.0
\$9,000-\$11,999	50,816	42,102	1,721,100	29.2	40.9	\$39,824,414	\$945.90	27.2
\$12,000-\$14,000	53,146	45,361	1,969,693	33.4	43.4	\$48,368,161	\$1,066.29	33.1
\$14,001-\$14,500	19,478	17,318	805,118	13.7	46.5	\$21,753,689	\$1,256.13	14.9
MORATORIUM	757	614	11,311	0.2	18.4	\$311,236	\$506.90	0.2
<b>INCOME - MARRIED</b>								
\$0-\$2,999	234	91	2,644	0.0	29.1	\$96,097	\$1,056.01	0.1
\$3,000-\$5,999	481	342	13,602	0.2	39.8	\$366,967	\$1,073.00	0.3
\$6,000-\$8,999	1,420	1,133	49,125	0.8	43.4	\$1,624,465	\$1,433.77	1.1
\$9,000-\$11,999	2,176	1,694	70,787	1.2	41.8	\$2,178,341	\$1,285.92	1.5
\$12,000-\$14,999	4,732	3,696	146,456	2.5	39.6	\$3,855,949	\$1,043.28	2.6
\$15,000-\$17,200	7,092	5,727	221,330	3.8	38.6	\$5,544,762	\$968.18	3.8
\$17,201-\$17,700	3,416	2,886	119,166	2.0	41.3	\$2,811,936	\$974.34	1.9
MORATORIUM	1,032	908	15,134	0.3	16.7	\$439,239	\$483.74	0.3

SOURCE: PDA/CLAIMS HISTORY, CARDHOLDER FILE  
NOTE: DATA INCLUDE ORIGINAL, PAID CLAIMS BY DATE OF SERVICE; EXCLUDE PACENET CLAIMS.

**TABLE 4.2B  
PACENET CARDHOLDER ENROLLMENT, PARTICIPATION, UTILIZATION, AND EXPENDITURES  
BY DEMOGRAPHIC CHARACTERISTICS  
JANUARY - DECEMBER 2008**

	TOTAL ENROLLED CARDHOLDERS	TOTAL PARTICIPATING CARDHOLDERS	TOTAL CLAIMS	% OF TOTAL CLAIMS	CLAIMS PER PARTI- CIPANT	TOTAL EXPENDITURES	TOTAL CARDHOLDER EXPENDITURES	CARDHOLDER SHARE (%) OF TOTAL EXPENDITURES	STATE SHARE EXPEN- DITURES	STATE SHARE (%) OF TOTAL EXPEN- DITURES	STATE SHARE PER CARDHOLDER	% OF STATE SHARE EXPEN- DITURES
TOTAL	190,000	151,147	6,029,465	100.0	39.9	\$377,944,959	\$219,963,880	58.2	\$157,981,079	41.8	\$1,045.21	100.0
SEX												
FEMALE	126,224	104,591	4,375,174	72.6	41.8	\$270,223,179	\$157,022,658	58.1	\$113,200,521	41.9	\$1,082.32	71.7
MALE	63,776	46,556	1,654,291	27.4	35.5	\$107,721,780	\$62,941,222	58.4	\$44,780,558	41.6	\$961.86	28.3
AGE												
65-69 YEARS	29,549	22,277	777,611	12.9	34.9	\$53,946,119	\$31,384,242	58.2	\$22,561,876	41.8	\$1,012.79	14.3
70-74 YEARS	36,282	28,755	1,133,572	18.8	39.4	\$73,604,746	\$42,481,807	57.7	\$31,122,938	42.3	\$1,082.35	19.7
75-79 YEARS	44,156	35,665	1,442,112	23.9	40.4	\$91,629,560	\$53,297,850	58.2	\$38,331,710	41.8	\$1,074.77	24.3
80-84 YEARS	42,011	33,861	1,396,298	23.2	41.2	\$85,200,008	\$49,758,271	58.4	\$35,441,737	41.6	\$1,046.68	22.4
85 YEARS OR OVER	38,002	30,589	1,279,872	21.2	41.8	\$73,564,527	\$43,041,709	58.5	\$30,522,817	41.5	\$997.84	19.3
RESIDENCE TYPE												
OWN	132,620	104,089	3,958,738	65.7	38.0	\$248,780,083	\$145,525,362	58.5	\$103,254,721	41.5	\$991.98	65.4
RENT	35,157	28,658	1,210,150	20.1	42.2	\$74,766,474	\$43,459,274	58.1	\$31,307,201	41.9	\$1,092.44	19.8
NURSING HOME/ PERSONAL CARE HOME	4,666	3,728	214,196	3.6	57.5	\$13,159,632	\$7,458,594	56.7	\$5,701,038	43.3	\$1,529.25	3.6
LIVE WITH RELATIVE	9,748	8,219	378,556	6.3	46.1	\$24,566,156	\$13,734,242	55.9	\$10,831,914	44.1	\$1,317.91	6.9
OTHER	5,752	4,763	204,001	3.4	42.8	\$12,695,217	\$7,438,795	58.6	\$5,256,423	41.4	\$1,103.59	3.3
MISSING	2,057	1,690	63,824	1.1	37.8	\$3,977,396	\$2,347,614	59.0	\$1,629,782	41.0	\$964.37	1.0
MARITAL STATUS												
SINGLE OR WIDOWED	98,558	80,594	3,384,017	56.1	42.0	\$207,572,421	\$120,512,459	58.1	\$87,059,962	41.9	\$1,080.23	55.1
MARRIED	77,923	59,928	2,222,536	36.9	37.1	\$142,428,866	\$83,710,573	58.8	\$58,718,293	41.2	\$979.81	37.2
DIVORCED	10,809	8,487	333,404	5.5	39.3	\$22,331,989	\$12,583,959	56.3	\$9,748,030	43.7	\$1,148.58	6.2
MARRIED, LIVING SEPARATELY	2,710	2,138	89,508	1.5	41.9	\$5,611,683	\$3,156,889	56.3	\$2,454,794	43.7	\$1,148.17	1.6
ETHNIC ORIGIN												
WHITE	167,555	134,880	5,506,741	91.3	40.8	\$343,553,640	\$200,514,018	58.4	\$143,039,622	41.6	\$1,060.50	90.5
AFRICAN-AMERICAN	8,764	6,526	213,188	3.5	32.7	\$14,183,669	\$7,716,287	54.4	\$6,467,382	45.6	\$991.02	4.1
AMERICAN INDIAN	143	111	3,427	0.1	30.9	\$230,188	\$121,106	52.6	\$109,082	47.4	\$982.72	0.1
HISPANIC	1,036	799	27,791	0.5	34.8	\$1,750,584	\$1,011,130	57.8	\$739,455	42.2	\$925.48	0.5
ASIAN	493	373	11,156	0.2	29.9	\$881,794	\$417,704	47.4	\$464,089	52.6	\$1,244.21	0.3
OTHER	996	636	17,110	0.3	26.9	\$1,139,245	\$692,984	60.8	\$446,261	39.2	\$701.67	0.3
MISSING	11,013	7,822	250,052	4.1	32.0	\$16,205,838	\$9,490,651	58.6	\$6,715,187	41.4	\$858.50	4.3

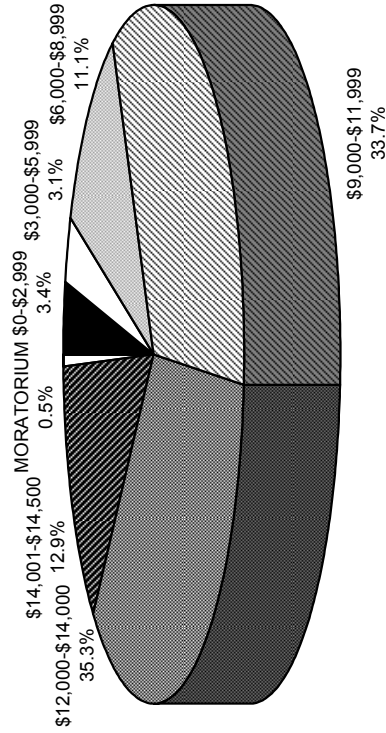
**TABLE 4.2B  
 PACENET CARDHOLDER ENROLLMENT, PARTICIPATION, UTILIZATION, AND EXPENDITURES  
 BY DEMOGRAPHIC CHARACTERISTICS  
 JANUARY - DECEMBER 2008**

	TOTAL ENROLLED CARDHOLDERS	TOTAL PARTICIPATING CARDHOLDERS	TOTAL CLAIMS	% OF TOTAL CLAIMS	CLAIMS PER PARTICIPANT	TOTAL EXPENDITURES	TOTAL CARDHOLDER EXPENDITURES	CARDHOLDER SHARE (%) OF TOTAL EXPENDITURES	STATE SHARE (%) OF TOTAL EXPENDITURES	STATE SHARE PER PARTICIPATING CARDHOLDER	% OF STATE SHARE
<b>INCOME - SINGLE</b>											
\$14,501 - \$17,000	41,911	34,589	1,457,947	24.2	42.1	\$88,643,661	\$52,196,149	58.9	41.1	\$1,053.73	23.1
\$17,001 - \$20,000	37,785	30,659	1,286,724	21.3	42.0	\$79,138,652	\$45,444,949	57.4	42.6	\$1,098.98	21.3
\$20,001 - \$23,500	30,321	24,258	988,840	16.4	40.8	\$63,236,484	\$36,057,831	57.0	43.0	\$1,120.40	17.2
MORATORIUM	2,060	1,713	73,518	1.2	42.9	\$4,497,296	\$2,554,378	56.8	43.2	\$1,134.22	1.2
<b>INCOME - MARRIED</b>											
\$17,701 - \$20,200	9,966	7,845	292,437	4.9	37.3	\$17,873,832	\$11,853,366	66.3	33.7	\$767.43	3.8
\$20,201 - \$23,000	14,765	11,376	434,089	7.2	38.2	\$27,539,839	\$16,173,718	58.7	41.3	\$999.13	7.2
\$23,001 - \$26,000	16,857	12,948	478,591	7.9	37.0	\$30,239,142	\$17,269,532	57.1	42.9	\$1,001.67	8.2
\$26,001 - \$29,000	17,642	13,446	483,321	8.0	35.9	\$31,296,911	\$18,060,032	57.7	42.3	\$984.45	8.4
\$29,001 - \$31,500	16,959	12,885	474,945	7.9	36.9	\$31,596,159	\$18,145,856	57.4	42.6	\$1,043.87	8.5
MORATORIUM	1,734	1,428	59,153	1.0	41.4	\$3,882,984	\$2,208,070	56.9	43.1	\$1,172.91	1.1

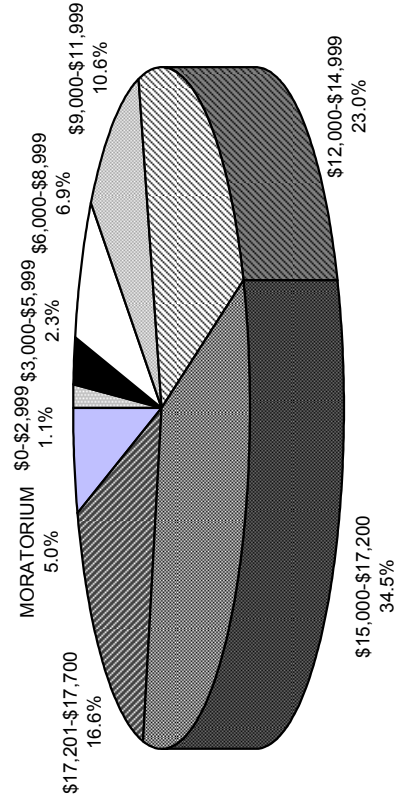
SOURCE: PDA/CLAIMS HISTORY, CARDHOLDER FILE  
 NOTE: DATA INCLUDE ORIGINAL, PAID PACENET CLAIMS BY DATE OF SERVICE. TOTAL CLAIMS INCLUDE DEDUCTIBLE CLAIMS AND COPAID CLAIMS.

**FIGURE 4.1**  
**PERCENT OF ENROLLED PACE CARDHOLDERS**  
**BY INCOME AND MARITAL STATUS**  
**JANUARY - DECEMBER 2008**  
**(TOTAL N = 171,225)**

**SINGLE**  
**N=150,642**



**MARRIED**  
**N=20,583**



**TABLE 4.3  
OTHER PRESCRIPTION INSURANCE COVERAGE OF PACE AND PACENET ENROLLED CARDHOLDERS  
JANUARY - DECEMBER 2008**

A. PACE	PACE ENROLLED CARDHOLDERS		PACE CLAIMS		TOTAL STATE SHARE EXPENDITURES	STATE SHARE EXPENDITURES PER ENROLLED CARDHOLDER
	NUMBER	% OF TOTAL	TOTAL CLAIMS	CLAIMS PER ENROLLED CARDHOLDER		
OTHER PRESCRIPTION COVERAGE IDENTIFIED	153,915	89.9%	5,685,489	36.9	\$135,951,566	\$883.29
MEDICARE PART D COVERAGE	141,380	82.6%	5,148,178	36.4	\$108,695,248	\$768.82
NON MEDICARE PART D COVERAGE	12,535	7.3%	537,311	42.9	\$27,256,318	\$2,174.42
NO OTHER KNOWN PRESCRIPTION COVERAGE	17,310	10.1%	207,124	12.0	\$10,215,716	\$590.16
TOTAL PACE ENROLLED	171,225	100.0%	5,892,613	34.4	\$146,167,282	\$853.66

B. PACENET	PACENET ENROLLED CARDHOLDERS		PACENET CLAIMS		TOTAL STATE SHARE EXPENDITURES	STATE SHARE EXPENDITURES PER ENROLLED CARDHOLDER
	NUMBER	% OF TOTAL	TOTAL CLAIMS	CLAIMS PER ENROLLED CARDHOLDER		
OTHER PRESCRIPTION COVERAGE IDENTIFIED	163,326	86.0%	5,737,215	35.1	\$146,687,289	\$898.13
MEDICARE PART D COVERAGE	146,973	77.4%	5,227,484	35.6	\$123,860,833	\$842.75
NON MEDICARE PART D COVERAGE	16,353	8.6%	509,731	31.2	\$22,826,456	\$1,395.86
NO OTHER KNOWN PRESCRIPTION COVERAGE	26,674	14.0%	292,250	11.0	\$11,293,790	\$423.40
TOTAL PACENET ENROLLED	190,000	100.0%	6,029,465	31.7	\$157,981,079	\$831.48

SOURCE: PDA/CARDHOLDER FILE, CLAIMS HISTORY

NOTES: DATA INCLUDE ORIGINAL, PAID CLAIMS BY DATE OF SERVICE. SOME CARDHOLDERS WERE ENROLLED IN BOTH PROGRAMS FOR SOME PORTION OF THE YEAR. NOT ALL CARDHOLDERS WITH IDENTIFIED R<sub>x</sub> INSURANCE HAD ACTIVE THIRD PARTY COVERAGE FOR DRUGS REIMBURSED BY PACE AT THE TIME OF DISPENSING.

**TABLE 4.4**  
**PART D CARDHOLDER ENROLLMENT, PARTICIPATION, AND EXPENDITURES**  
**JANUARY - DECEMBER 2008**

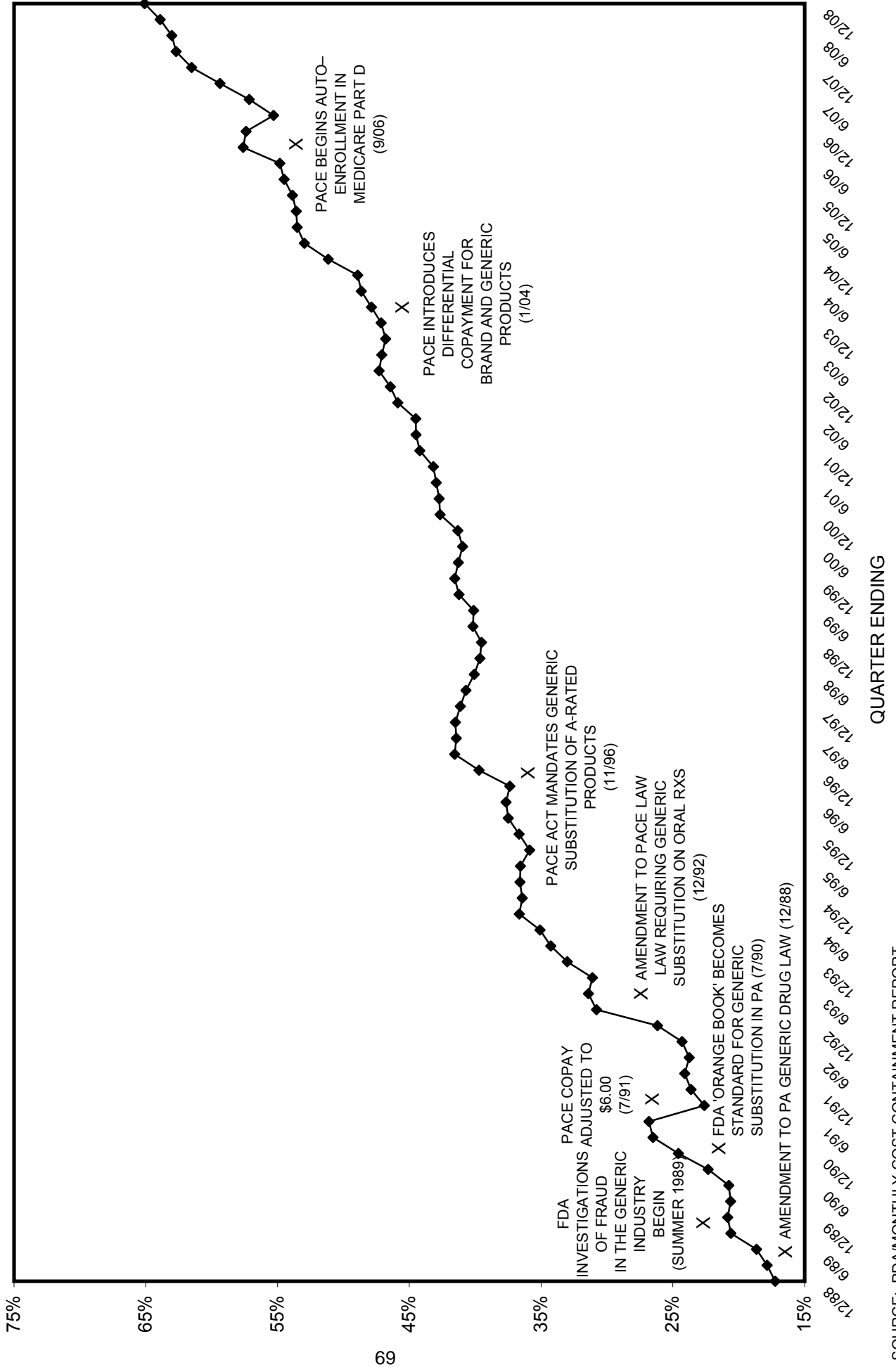
	PACE	PACENET	TOTAL
<b>Enrolled Cardholders</b>			
Part D, Auto-Enrolled	85,129	73,112	156,200
Part D, Not Auto-Enrolled	56,251	73,861	128,788
Not Enrolled in Part D	29,845	43,027	72,221
Total PACE/PACENET Enrolled	171,225	190,000	357,209
<b>Participating Cardholders</b>			
Part D, Auto-Enrolled	78,210	68,983	145,371
Part D, Not Auto-Enrolled	45,682	60,159	104,824
Not Enrolled in Part D	17,258	22,005	38,806
Total Participating Cardholders	141,150	151,147	289,001
<b>Claims</b>			
Part D, Auto-Enrolled	3,399,213	3,157,398	6,556,611
Part D, Not Auto-Enrolled	1,748,965	2,070,086	3,819,051
Not Enrolled in Part D	744,435	801,981	1,546,416
Total Claims	5,892,613	6,029,465	11,922,078
<b>Claims Per Enrollee</b>			
Part D, Auto-Enrolled	39.93	43.19	41.98
Part D, Not Auto-Enrolled	31.09	28.03	29.65
Not Enrolled in Part D	24.94	18.64	21.41
All PACE/PACENET Enrolled	34.41	31.73	33.38
<b>State Share Expenditures</b>			
Part D, Auto-Enrolled	\$73,226,849	\$72,449,852	\$145,676,701
Part D, Not Auto-Enrolled	\$35,468,399	\$51,410,981	\$86,879,380
Not Enrolled in Part D	\$37,472,034	\$34,120,246	\$71,592,280
All PACE/PACENET Enrolled	\$146,167,282	\$157,981,079	\$304,148,361
<b>State Share Per Claim</b>			
Part D, Auto-Enrolled	\$21.54	\$22.95	\$22.22
Part D, Not Auto-Enrolled	\$20.28	\$24.84	\$22.75
Not Enrolled in Part D	\$50.34	\$42.54	\$46.30
All PACE/PACENET Enrolled	\$24.81	\$26.20	\$25.51
<b>Total Cardholder Expenditures</b>			
Part D, Auto-Enrolled	\$18,990,273	\$36,743,187	\$55,733,460
Part D, Not Auto-Enrolled	\$9,640,306	\$20,512,858	\$30,153,164
Not Enrolled in Part D	\$5,090,282	\$11,335,210	\$16,425,492
All PACE/PACENET Enrolled	\$33,720,861	\$68,591,255	\$102,312,116
<b>Cardholder Share Per Claim</b>			
Part D, Auto-Enrolled	\$5.59	\$11.64	\$8.50
Part D, Not Auto-Enrolled	\$5.51	\$9.91	\$7.90
Not Enrolled in Part D	\$6.84	\$14.13	\$10.62
All PACE/PACENET Enrolled	\$5.72	\$11.38	\$8.58
<b>TPL Share</b>			
Part D, Auto-Enrolled	\$106,233,786	\$82,059,627	\$188,293,413
Part D, Not Auto-Enrolled	\$61,043,980	\$65,747,120	\$126,791,099
Not Enrolled in Part D	\$1,813,220	\$3,565,878	\$5,379,099
All PACE/PACENET Enrolled	\$169,090,986	\$151,372,624	\$320,463,611

**TABLE 4.4**  
**PART D CARDHOLDER ENROLLMENT, PARTICIPATION, AND EXPENDITURES**  
**JANUARY - DECEMBER 2008**

	PACE	PACENET	TOTAL
TPL Share Per Claim			
Part D, Auto-Enrolled	\$31.25	\$25.99	\$28.72
Part D, Not Auto-Enrolled	\$34.90	\$31.76	\$33.20
Not Enrolled in Part D	\$2.44	\$4.45	\$3.48
All PACE/PACENET Enrolled	\$28.70	\$25.11	\$26.88
Total Expenditures (State, Cardholder, TPL)			
Part D, Auto-Enrolled	\$198,450,908	\$191,252,665	\$389,703,573
Part D, Not Auto-Enrolled	\$106,152,684	\$137,670,959	\$243,823,643
Not Enrolled in Part D	\$44,375,536	\$49,021,335	\$93,396,871
All PACE/PACENET Enrolled	\$348,979,129	\$377,944,959	\$726,924,087
Part D LIS Status Among Auto-Enrolled			
Full LIS	31,017	3,348	34,176
Partial LIS	6,206	3,068	9,147
No LIS	47,906	66,696	112,877
Total Auto-Enrolled Cardholders	85,129	73,112	156,200
Part D LIS Status Among Other Part D Enrolled			
Full LIS	24,306	4,058	28,166
Partial LIS	4,339	3,285	7,526
No LIS	27,606	66,518	93,096
Total Other Part D Enrolled Cardholders	56,251	73,861	128,788

Notes: Auto-enrolled cardholders include individuals who were auto-enrolled by PACE/PACENET into Part D plans between 9/1/06 and 1/1/08. The expenditure totals shown are based only on claims that were recorded in the PACE/PACENET claim adjudication system. There may be additional prescription expenditures that were not submitted to PACE/PACENET.

**FIGURE 4.2**  
**PACE GENERIC UTILIZATION RATES BY QUARTER**  
**DECEMBER 1988 - DECEMBER 2008**



SOURCE: PDAMONTHLY COST CONTAINMENT REPORT



# **SECTION 5**

# **COUNTY DATA**



**TABLE 5.1  
NUMBER AND PERCENT OF PACE AND PACENET CARDHOLDERS  
AND NUMBER OF PROVIDERS BY COUNTY  
JANUARY - DECEMBER 2008**

<u>COUNTY</u>	<u>NUMBER OF PACE ENROLLED CARDHOLDERS</u>	<u>NUMBER OF PACENET ENROLLED CARDHOLDERS</u>	<u>TOTAL NUMBER ENROLLED*</u>	<u>% OF TOTAL</u>	<u>NUMBER OF PARTICIPATING CARDHOLDERS</u>	<u>NUMBER OF PROVIDERS</u>	<u>TYPE OF COUNTY</u>	<u>STATE SHARE</u>	<u>PACE CLAIMS</u>	<u>PACENET CLAIMS</u>	<u>PACE STATE SHARE</u>	<u>PACENET STATE SHARE</u>
PENNSYLVANIA	171,225	190,000	357,209	100.0	289,001	3,042	ALL COUNTIES	\$304,148,361	5,892,613	6,029,465	\$146,167,282	\$157,981,079
ADAMS	1,163	1,501	2,627	0.7	2,189	17	RURAL	\$2,159,931	42,519	53,821	\$941,598	\$1,218,332
ALLEGHENY	16,367	17,221	33,312	9.3	26,767	324	URBAN	\$27,380,283	551,417	515,233	\$13,275,608	\$14,104,675
ARMSTRONG	1,164	1,350	2,484	0.7	1,944	17	RURAL	\$1,776,088	35,064	36,613	\$811,113	\$964,975
BEAVER	2,661	3,398	5,988	1.7	4,875	48	URBAN	\$4,947,581	94,765	107,267	\$1,993,083	\$2,954,498
BEDFORD	1,222	1,329	2,512	0.7	2,049	16	RURAL	\$2,295,516	42,326	40,313	\$1,190,858	\$1,104,658
BERKS	4,254	6,170	10,321	2.9	8,396	66	SUBURBAN	\$8,207,129	148,578	200,045	\$3,242,909	\$4,964,221
BLAIR	2,555	3,183	5,658	1.6	4,602	40	SUBURBAN	\$4,914,844	99,742	106,962	\$2,164,424	\$2,750,420
BRADFORD	1,291	1,408	2,662	0.7	2,146	19	RURAL	\$1,875,882	38,365	42,879	\$851,027	\$1,024,855
BUCKS	4,473	5,566	9,948	2.8	8,011	142	URBAN	\$12,306,517	166,800	187,240	\$5,809,806	\$6,496,711
BUTLER	2,066	2,524	4,546	1.3	3,665	40	SEMIRURAL	\$3,772,030	77,137	78,052	\$1,814,325	\$1,957,705
CAMBRIA	3,204	3,519	6,650	1.9	5,388	40	SUBURBAN	\$5,066,555	100,787	99,831	\$2,394,926	\$2,671,630
CAMERON	96	148	242	0.1	173	3	SEMIRURAL	\$149,628	2,563	2,966	\$66,591	\$83,037
CARBON	1,450	1,612	3,033	0.8	2,477	15	SUBURBAN	\$2,382,959	52,722	50,356	\$1,168,772	\$1,214,187
CENTRE	1,077	1,337	2,386	0.7	1,928	31	SUBURBAN	\$1,651,173	36,886	42,156	\$726,633	\$924,540
CHESTER	2,713	3,115	5,786	1.6	4,721	95	SUBURBAN	\$5,973,567	97,173	98,751	\$2,880,550	\$3,093,017
CLARION	691	1,013	1,679	0.5	1,377	15	RURAL	\$1,338,814	22,308	31,717	\$555,982	\$782,831
CLEARFIELD	1,729	2,168	3,829	1.1	3,142	19	RURAL	\$3,107,512	67,061	72,055	\$1,479,054	\$1,628,458
CLINTON	800	1,071	1,839	0.5	1,483	9	SEMIRURAL	\$1,311,964	28,024	33,323	\$582,040	\$729,924
COLUMBIA	1,536	1,704	3,187	0.9	2,637	17	SEMIRURAL	\$2,484,028	57,176	56,568	\$1,214,705	\$1,269,323
CRAWFORD	1,452	1,935	3,336	0.9	2,656	21	RURAL	\$2,225,700	46,823	54,910	\$996,767	\$1,228,933
CUMBERLAND	2,116	2,871	4,926	1.4	4,084	66	SUBURBAN	\$4,194,082	80,745	99,967	\$1,843,070	\$2,351,012
DAUPHIN	2,277	2,651	4,886	1.4	3,932	57	URBAN	\$3,636,235	78,672	84,527	\$1,702,193	\$1,934,042
DELAWARE	4,871	5,239	10,025	2.8	8,071	144	URBAN	\$10,710,979	166,506	165,479	\$5,382,123	\$5,328,855
ELK	597	1,044	1,615	0.5	1,339	8	SEMIRURAL	\$1,313,191	17,738	33,163	\$476,817	\$836,374
ERIE	3,476	4,507	7,888	2.2	6,275	65	URBAN	\$6,089,651	118,918	141,183	\$2,595,160	\$3,494,491
FAYETTE	2,961	2,908	5,812	1.6	4,640	45	SEMIRURAL	\$4,591,717	96,429	83,199	\$2,322,227	\$2,269,490
FOREST	118	132	249	0.1	198	2	RURAL	\$199,308	3,915	4,582	\$91,295	\$108,013
FRANKLIN	1,624	2,019	3,599	1.0	2,952	24	SEMIRURAL	\$3,138,211	60,570	72,352	\$1,365,450	\$1,772,761
FULTON	252	278	523	0.1	429	4	RURAL	\$387,008	7,625	9,792	\$164,411	\$222,596
GREENE	530	503	1,027	0.3	813	7	RURAL	\$634,265	16,014	14,039	\$296,801	\$337,464

**TABLE 5.1  
NUMBER AND PERCENT OF PACE AND PACENET CARDHOLDERS  
AND NUMBER OF PROVIDERS BY COUNTY  
JANUARY - DECEMBER 2008**

<u>COUNTY</u>	<u>NUMBER OF</u>		<u>NUMBER OF</u>	<u>% OF</u>	<u>NUMBER OF</u>	<u>TYPE OF</u>	<u>STATE</u>		<u>PACENET</u>		<u>PACE</u>		<u>PACENET</u>	
	<u>PACE</u>	<u>PACENET</u>					<u>ENROLLED*</u>	<u>ENROLLED</u>	<u>SHARE</u>	<u>CLAIMS</u>	<u>STATE SHARE</u>	<u>CLAIMS</u>	<u>STATE SHARE</u>	<u>CLAIMS</u>
HUNTINGDON	851	969	1,788	0.5	1,451	RURAL	\$1,339,571	28,519	30,959	\$658,576	\$680,994			
INDIANA	1,201	1,498	2,675	0.7	2,165	RURAL	\$2,071,474	42,752	46,945	\$957,408	\$1,114,066			
JEFFERSON	1,043	1,254	2,262	0.6	1,883	SEMIURBAN	\$1,801,092	35,338	41,118	\$819,677	\$981,415			
JUNIATA	425	575	981	0.3	828	RURAL	\$970,068	18,436	23,011	\$408,896	\$561,171			
LACKAWANNA	5,525	5,133	10,541	3.0	8,961	URBAN	\$10,077,968	206,294	179,837	\$5,447,157	\$4,630,811			
LANCASTER	4,457	6,652	10,957	3.1	9,023	SUBURBAN	\$8,747,339	167,022	229,536	\$3,559,399	\$5,187,940			
LAWRENCE	1,919	2,358	4,230	1.2	3,435	SEMIURBAN	\$3,307,806	67,929	73,445	\$1,421,922	\$1,885,884			
LEBANON	1,618	2,046	3,601	1.0	2,889	SEMIURBAN	\$2,823,210	60,332	70,840	\$1,230,745	\$1,592,465			
LEHIGH	3,384	4,403	7,701	2.2	6,358	URBAN	\$6,195,562	122,619	146,013	\$2,753,129	\$3,442,434			
LUZERNE	9,313	8,218	17,330	4.9	14,544	SUBURBAN	\$15,116,116	349,512	283,229	\$8,130,894	\$6,985,221			
LYCOMING	2,057	2,550	4,551	1.3	3,740	SUBURBAN	\$3,544,293	75,142	83,235	\$1,515,341	\$2,028,952			
MCKEAN	757	976	1,706	0.5	1,377	SEMIURBAN	\$1,282,138	25,053	32,290	\$501,064	\$781,074			
MERCER	1,873	2,858	4,666	1.3	3,607	SUBURBAN	\$3,757,887	58,694	83,056	\$1,464,591	\$2,293,296			
MIFFLIN	1,117	1,559	2,635	0.7	2,259	RURAL	\$2,338,337	50,810	61,671	\$1,048,002	\$1,290,335			
MONROE	1,583	1,843	3,378	0.9	2,685	RURAL	\$2,771,057	53,075	59,947	\$1,246,128	\$1,524,929			
MONTGOMERY	5,738	6,962	12,553	3.5	10,166	URBAN	\$13,917,477	205,321	216,294	\$6,652,600	\$7,264,877			
MONTOUR	269	303	568	0.2	466	SEMIURBAN	\$456,208	9,608	9,844	\$197,992	\$258,216			
NORTHAMPTON	4,016	5,596	9,504	2.7	7,957	SUBURBAN	\$7,662,229	146,849	196,113	\$3,180,749	\$4,481,480			
NORTHUMBERLAND	2,867	2,655	5,446	1.5	4,549	SEMIURBAN	\$4,323,309	118,974	91,275	\$2,362,318	\$1,960,991			
PERRY	610	718	1,316	0.4	1,112	RURAL	\$1,142,552	22,032	23,052	\$577,042	\$665,510			
PHILADELPHIA	23,102	16,115	38,877	10.9	29,410	URBAN	\$36,147,684	641,453	442,725	\$21,165,121	\$14,982,563			
PIKE	586	660	1,228	0.3	918	RURAL	\$945,347	17,169	19,034	\$436,931	\$508,416			
POTTER	361	394	740	0.2	586	RURAL	\$433,682	12,737	11,404	\$228,790	\$204,892			
SCHUYLKILL	4,632	4,258	8,796	2.5	7,325	SEMIURBAN	\$6,520,114	164,786	135,046	\$3,446,783	\$3,073,331			
SNYDER	548	704	1,234	0.3	1,046	RURAL	\$1,059,495	21,998	25,887	\$497,510	\$561,985			
SOMERSET	1,897	1,991	3,837	1.1	3,147	RURAL	\$3,053,203	63,717	56,910	\$1,575,596	\$1,477,606			
SULLIVAN	160	170	329	0.1	261	RURAL	\$246,862	4,978	4,569	\$136,015	\$110,847			
SUSQUEHANNA	859	785	1,622	0.5	1,288	RURAL	\$1,222,823	28,557	23,412	\$615,283	\$607,540			
TIOGA	797	894	1,658	0.5	1,343	RURAL	\$1,250,998	28,166	28,002	\$588,143	\$662,855			
UNION	517	713	1,206	0.3	1,029	SEMIURBAN	\$962,054	20,624	25,849	\$409,664	\$552,389			

**TABLE 5.1  
NUMBER AND PERCENT OF PACE AND PACENET CARDHOLDERS  
AND NUMBER OF PROVIDERS BY COUNTY  
JANUARY - DECEMBER 2008**

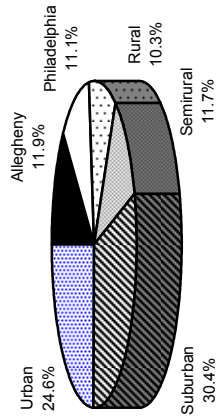
<u>COUNTY</u>	NUMBER OF PACE ENROLLED CARDHOLDERS	NUMBER OF PACENET ENROLLED CARDHOLDERS	TOTAL NUMBER ENROLLED*	% OF TOTAL	NUMBER OF PARTICIPATING CARDHOLDERS	NUMBER OF PROVIDERS	TYPE OF COUNTY	STATE SHARE	PACE		PACENET		PACENET	
									CLAIMS	STATE SHARE	CLAIMS	STATE SHARE	CLAIMS	STATE SHARE
VENANGO	805	1,137	1,926	0.5	1,532	15	SEMIRURAL	\$1,477,842	26,342	36,322	\$624,899	\$852,943		
WARREN	488	739	1,215	0.3	943	12	SEMIRURAL	\$833,305	14,252	20,300	\$319,963	\$513,342		
WASHINGTON	3,045	3,545	6,529	1.8	5,267	49	SUBURBAN	\$5,349,109	105,177	111,061	\$2,433,203	\$2,915,906		
WAYNE	891	952	1,811	0.5	1,480	13	RURAL	\$1,436,695	32,833	30,015	\$723,350	\$713,345		
WESTMORELAND	6,151	7,239	13,264	3.7	10,842	89	SUBURBAN	\$9,788,198	210,433	212,565	\$4,549,694	\$5,238,504		
WYOMING	530	512	1,029	0.3	854	11	RURAL	\$899,472	20,639	19,034	\$450,651	\$448,821		
YORK	4,447	6,642	10,944	3.1	8,916	77	SUBURBAN	\$8,653,437	159,073	226,279	\$3,431,734	\$5,221,703		

\* TOTAL NUMBER ENROLLED IS AN UNDUPLICATED COUNT OF CARDHOLDERS, SOME OF WHOM MAY HAVE BEEN ENROLLED IN BOTH PROGRAMS DURING THE YEAR.

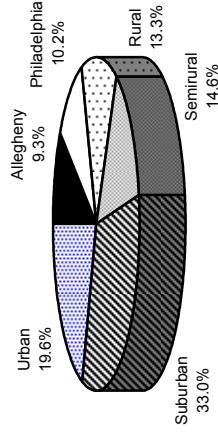
SOURCE: PDA/CARDHOLDER FILE; CLAIMS HISTORY  
NOTE: DATA INCLUDE ORIGINAL, PAID CLAIMS BY DATE OF SERVICE.

**FIGURE 5.1**  
**PACE AND PACENET CARDHOLDER, CLAIM, AND PROVIDER INFORMATION**  
**BY COUNTY TYPE**  
**JANUARY - DECEMBER 2008**

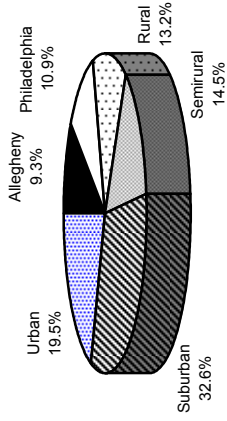
**PENNSYLVANIA SENIOR  
 CITIZEN POPULATION**  
**N = 1,919,165**



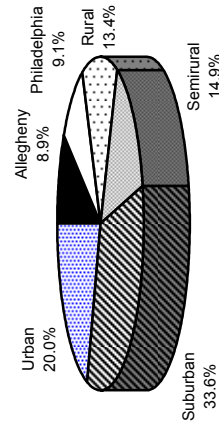
**PARTICIPATING  
 CARDHOLDERS**  
**N = 289,001**



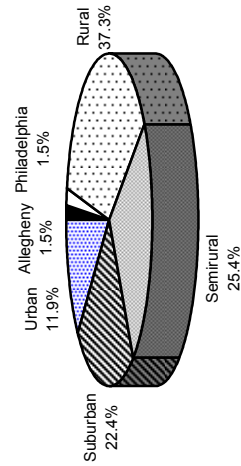
**ENROLLED  
 CARDHOLDERS**  
**N = 357,209**



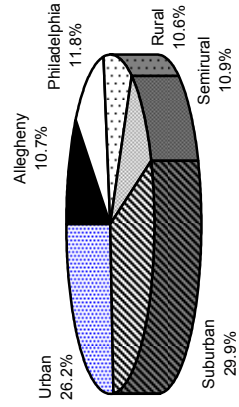
**TOTAL CLAIMS**  
**N = 11,922,078**



**PENNSYLVANIA COUNTIES**  
**N = 67**



**PACE PROVIDERS**  
**N = 3,042**



SOURCE: PDA/CARDHOLDER FILE, CLAIMS HISTORY, AND 2000 CENSUS COUNTS  
 NOTE: DATA INCLUDE ORIGINAL, PAID CLAIMS BY DATE OF SERVICE.





# **SECTION 6**

# **PROVIDER DATA**



**TABLE 6.1  
PACE CLAIMS AND EXPENDITURES BY PROVIDER TYPE  
JANUARY - DECEMBER 2008**

PROVIDER TYPE	PROVIDERS		JULY - DEC		JAN - JUNE		JULY - DEC		EXPENDITURES		PERCENT OF CLAIMS REDUCED TO AWP-12%+\$4.00			
	NO.	%	NO.	%	NO.	%	NO.	%	AMOUNT	%	JAN - JUNE	JULY - DEC		
INDEPENDENT PHARMACIES	1,012	34.1	995	34.7	1,131,541	37.1	1,067,347	37.3	\$28,660,083	39.5	\$30,666,632	40.8	24.9	25.2
DISPENSING PHYSICIANS	4	0.1	8	0.3	12	<0.1	51	<0.1	\$694	< 0.1	\$9,598	< 0.1	<0.1	<0.1
INSTITUTIONAL PHARMACIES	27	0.9	26	0.9	15,662	0.5	13,893	0.5	\$462,937	0.6	\$417,217	0.6	37.1	36.7
CHAIN PHARMACIES	1,866	62.9	1,779	62.1	1,840,738	60.3	1,716,048	59.9	\$41,664,509	57.4	\$42,223,160	56.1	17.3	15.9
NURSING HOME PHARMACIES	41	1.4	39	1.4	45,281	1.5	47,867	1.7	\$1,033,155	1.4	\$1,253,453	1.7	21.1	24.7
MAIL ORDER PHARMACIES	17	0.6	18	0.7	17,767	0.6	18,955	0.7	\$731,464	1.0	\$670,461	0.9	15.2	15.6
TOTAL	2,967	100.0	2,865	100.0	3,051,001	100.0	2,864,161	100.0	\$72,552,841	100.0	\$75,240,522	100.0	20.3	19.6

SOURCE: PDA/PS-0-100, CLAIMS HISTORY  
NOTE: DATA INCLUDE ORIGINAL, PAID CLAIMS BY DATE OF PAYMENT, EXCLUDE PACENET CLAIMS.

**TABLE 6.2  
PACE CLAIMS VOLUME BY PRODUCT AND PROVIDER TYPE  
JANUARY - DECEMBER 2008**

PROVIDER TYPE	BRAND SINGLE-SOURCE		BRAND MULTI-SOURCE		GENERIC		TOTAL	
	JAN - JUNE NO.	JULY - DEC NO.	JAN - JUNE NO.	JULY - DEC NO.	JAN - JUNE NO.	JULY - DEC NO.	JAN - JUNE NO.	JULY - DEC NO.
INDEPENDENT PHARMACIES	364,336	324,675	76,014	68,090	691,191	674,582	1,131,541	1,067,347
DISPENSING PHYSICIANS	12	51	0	0	0	0	12	51
INSTITUTIONAL PHARMACIES	4,555	3,983	933	763	10,174	9,147	15,662	13,893
CHAIN PHARMACIES	557,428	502,304	109,637	101,471	1,173,673	1,112,273	1,840,738	1,716,048
NURSING HOME PHARMACIES	14,062	13,261	2,830	2,824	28,389	31,782	45,281	47,867
MAIL ORDER PHARMACIES	5,882	5,519	1,351	1,254	10,534	12,182	17,767	18,955
TOTAL	946,275	849,793	190,765	174,402	1,913,961	1,839,966	3,051,001	2,864,161

SOURCE: PDA/PS-0-100, CLAIMS HISTORY  
NOTE: DATA INCLUDE ORIGINAL, PAID CLAIMS BY DATE OF PAYMENT, EXCLUDE PACENET CLAIMS.

**TABLE 6.3  
PACE EXPENDITURES BY PRODUCT AND PROVIDER TYPE  
JANUARY - DECEMBER 2008**

PROVIDER TYPE	BRAND SINGLE-SOURCE		BRAND MULTI-SOURCE		GENERIC		TOTAL	
	JAN - JUNE AMOUNT	JULY - DEC AMOUNT	JAN - JUNE AMOUNT	JULY - DEC AMOUNT	JAN - JUNE AMOUNT	JULY - DEC AMOUNT	JAN - JUNE AMOUNT	JULY - DEC AMOUNT
	%	%	%	%	%	%	%	%
INDEPENDENT PHARMACIES	\$18,436,281	\$19,856,366	\$3,369,664	\$3,600,675	\$6,854,139	\$7,209,591	\$28,660,084	\$30,666,632
	64.3	64.7	11.8	11.7	23.9	23.5	100.0	100.0
DISPENSING PHYSICIANS	\$694	\$9,598	\$0	\$0	\$0	\$0	\$694	\$9,598
	100.0	100.0	0.0	0.0	0.0	0.0	100.0	100.0
INSTITUTIONAL PHARMACIES	\$274,310	\$249,930	\$33,692	\$35,801	\$154,935	\$131,486	\$462,937	\$417,217
	59.3	59.9	7.3	8.6	33.5	31.5	100.0	100.0
CHAIN PHARMACIES	\$28,079,835	\$28,612,957	\$4,872,248	\$5,135,740	\$8,712,426	\$8,474,463	\$41,664,509	\$42,223,160
	67.4	67.8	11.7	12.2	20.9	20.1	100.0	100.0
NURSING HOME PHARMACIES	\$696,774	\$840,705	\$111,951	\$122,550	\$224,430	\$290,199	\$1,033,155	\$1,253,454
	67.4	67.1	10.8	9.8	21.7	23.2	100.0	100.0
MAIL ORDER PHARMACIES	\$587,110	\$506,698	\$76,513	\$74,792	\$67,840	\$88,971	\$731,463	\$670,461
	80.3	75.6	10.5	11.2	9.3	13.3	100.0	100.0
TOTAL	\$48,075,004	\$50,076,254	\$8,464,068	\$8,969,558	\$16,013,770	\$16,194,710	\$72,552,842	\$75,240,522
	66.3	66.6	11.7	11.9	22.1	21.5	100.0	100.0

SOURCE: PDA/PS-0-100, CLAIMS HISTORY  
NOTE: DATA INCLUDE ORIGINAL, PAID CLAIMS BY DATE OF PAYMENT, EXCLUDE PACENET CLAIMS.

**TABLE 6.4**  
**AVERAGE STATE SHARE PER PACE CLAIM BY PRODUCT AND PROVIDER TYPE**  
**JANUARY - DECEMBER 2008**

<u>PROVIDER TYPE</u>	<u>BRAND SINGLE-SOURCE</u>		<u>BRAND MULTI-SOURCE</u>		<u>GENERIC</u>		<u>AVERAGE FOR ALL TYPES</u>	
	<u>JAN - JUNE</u>	<u>JULY - DEC</u>	<u>JAN - JUNE</u>	<u>JULY - DEC</u>	<u>JAN - JUNE</u>	<u>JULY - DEC</u>	<u>JAN - JUNE</u>	<u>JULY - DEC</u>
INDEPENDENT PHARMACIES	\$50.60	\$61.16	\$44.33	\$52.88	\$9.92	\$10.69	\$25.33	\$28.73
DISPENSING PHYSICIANS	\$57.85	\$188.20	\$0.00	\$0.00	\$0.00	\$0.00	\$57.85	\$188.20
INSTITUTIONAL PHARMACIES	\$60.22	\$62.75	\$36.11	\$46.92	\$15.23	\$14.37	\$29.58	\$30.03
CHAIN PHARMACIES	\$50.37	\$56.96	\$44.44	\$50.61	\$7.42	\$7.62	\$22.63	\$24.60
NURSING HOME PHARMACIES	\$49.55	\$63.40	\$39.56	\$43.40	\$7.91	\$9.13	\$22.82	\$26.19
MAIL ORDER PHARMACIES	\$99.81	\$91.81	\$56.63	\$59.64	\$6.44	\$7.30	\$41.17	\$35.37
ALL PROVIDER TYPES	\$50.80	\$58.93	\$44.37	\$51.43	\$8.37	\$8.80	\$23.78	\$26.27

SOURCE: PDA/PS-0-100, CLAIMS HISTORY  
NOTE: DATA INCLUDE ORIGINAL, PAID CLAIMS BY DATE OF PAYMENT, EXCLUDE PACENET CLAIMS.

**TABLE 6.5  
PACENET CLAIMS AND EXPENDITURES BY PROVIDER TYPE  
JANUARY - DECEMBER 2008**

PROVIDER TYPE	PROVIDERS		CLAIMS				EXPENDITURES				% OF TOTAL EXPENDITURES
	ENROLLED	PARTICI- PATING	DEDUCTIBLE CLAIMS <sup>1</sup>	COPAID CLAIMS	TOTAL CLAIMS	% OF CLAIMS	CARDHOLDER EXPENDITURES	OTHER PAYER EXPENDITURES	STATE SHARE EXPENDITURES	TOTAL EXPENDITURES	
INDEPENDENT PHARMACIES	1,120	1,040	605,468	1,592,566	2,198,034	36.9	\$25,467,923	\$53,927,134	\$61,143,160	\$140,538,217	37.7
DISPENSING PHYSICIANS	59	4	0	14	14	0.0	\$195	\$8,694	\$1,607	\$10,496	0.0
INSTITUTIONAL PHARMACIES	31	28	4,114	13,447	17,561	0.3	\$198,100	\$440,026	\$515,685	\$1,153,811	0.3
CHAIN PHARMACIES	1,913	1,896	1,014,762	2,567,594	3,582,356	60.1	\$40,138,689	\$86,310,861	\$90,449,251	\$216,898,801	58.2
NURSING HOME PHARMACIES	49	44	18,455	69,871	88,326	1.5	\$910,474	\$2,017,377	\$2,225,784	\$5,153,636	1.4
MAIL ORDER PHARMACIES	27	20	15,068	54,598	69,666	1.2	\$1,126,104	\$5,238,481	\$2,533,334	\$8,897,919	2.4
TOTAL (ALL PROVIDERS)	3,199	3,032	1,657,867	4,298,090	5,955,957	100.0	\$67,841,485	\$147,942,573	\$156,868,821	\$372,652,880	100.0

<sup>1</sup>IN 2008, THE MONTHLY PACENET DEDUCTIBLE WAS CHANGED TO \$26.59 TO COINCIDE WITH THE REGIONAL MEDICARE PART D PREMIUM BENCHMARK. PACENET CARDHOLDERS WHO ARE NOT ENROLLED IN PART D ARE REQUIRED TO PAY THE BENCHMARK AMOUNT PRIOR TO ANY PACENET CLAIM COVERAGE.

SOURCE: PDA/CLAIMS HISTORY

NOTE: DATA INCLUDE ORIGINAL, PAID CLAIMS BY DATE OF PAYMENT.

**TABLE 6.6  
PACENET CLAIMS VOLUME BY PHASE OF COVERAGE<sup>1</sup>, PRODUCT TYPE, AND PROVIDER TYPE  
JANUARY - DECEMBER 2008**

**DEDUCTIBLE PHASE CLAIMS**

PROVIDER TYPE	BRAND SINGLE-SOURCE		BRAND MULTI-SOURCE		GENERIC		TOTAL (ALL PRODUCTS)	
	NO.	%	NO.	%	NO.	%	NO.	%
INDEPENDENT PHARMACIES	194,225	32.1	39,413	6.5	371,830	61.4	605,468	100.0
DISPENSING PHYSICIANS	0	0.0	0	0.0	0	0.0	0	100.0
INSTITUTIONAL PHARMACIES	1,140	27.7	247	6.0	2,727	66.3	4,114	100.0
CHAIN PHARMACIES	296,846	29.3	58,173	5.7	659,743	65.0	1,014,762	100.0
NURSING HOME PHARMACIES	5,796	31.4	1,275	6.9	11,384	61.7	18,455	100.0
MAIL ORDER PHARMACIES	4,793	31.8	821	5.4	9,454	62.7	15,068	100.0
TOTAL (ALL PROVIDERS)	502,800	30.3	99,929	6.0	1,055,138	63.6	1,657,867	100.0

**COPAYMENT PHASE CLAIMS**

PROVIDER TYPE	BRAND SINGLE-SOURCE		BRAND MULTI-SOURCE		GENERIC		TOTAL (ALL PRODUCTS)	
	NO.	%	NO.	%	NO.	%	NO.	%
INDEPENDENT PHARMACIES	513,769	32.3	105,829	6.7	972,968	61.1	1,592,566	100.0
DISPENSING PHYSICIANS	14	0.0	0	0.0	0	0.0	14	100.0
INSTITUTIONAL PHARMACIES	3,734	27.8	872	6.5	8,841	65.8	13,447	100.0
CHAIN PHARMACIES	787,068	30.7	155,186	6.0	1,625,340	63.3	2,567,594	100.0
NURSING HOME PHARMACIES	20,467	29.3	4,657	6.7	44,747	64.0	69,871	100.0
MAIL ORDER PHARMACIES	16,688	30.6	2,985	5.5	34,925	64.0	54,598	100.0
TOTAL (ALL PROVIDERS)	1,341,740	31.2	269,529	6.3	2,686,821	62.5	4,298,090	100.0

<sup>1</sup>IN 2008, THE MONTHLY PACENET DEDUCTIBLE WAS CHANGED TO \$26.59 TO COINCIDE WITH THE REGIONAL MEDICARE PART D PREMIUM BENCHMARK. PACENET CARDHOLDERS WHO ARE NOT ENROLLED IN PART D ARE REQUIRED TO PAY THE BENCHMARK AMOUNT PRIOR TO ANY PACENET CLAIM COVERAGE. THE DEDUCTIBLE AND COPAYMENT PHASES DIFFER IN THE TYPES OF CLAIMS SUBMITTED. LOW-PRICED PRESCRIPTIONS FOR WHICH THE TOTAL PRICE IS LESS THAN THE \$8 OR \$15 COPAY ARE NOT NECESSARILY SUBMITTED DURING THE COPAYMENT PHASE, BUT MAY BE SUBMITTED DURING THE DEDUCTIBLE PHASE TO SATISFY THE DEDUCTIBLE. GENERIC UTILIZATION RATES MAY THEREFORE BE HIGHER IN THE DEDUCTIBLE PHASE DUE TO THE OVER-REPRESENTATION OF LOW-PRICED GENERIC CLAIMS.

SOURCE: PDA/CLAIMS HISTORY

NOTE: DATA INCLUDE ORIGINAL, PAID CLAIMS BY DATE OF PAYMENT.

**TABLE 6.7  
PACENET EXPENDITURES BY PHASE OF COVERAGE, PRODUCT TYPE, AND PROVIDER TYPE  
JANUARY - DECEMBER 2008**

**A. DEDUCTIBLE PHASE CLAIMS<sup>1</sup>**

PROVIDER TYPE	BRAND SINGLE-SOURCE		BRAND MULTI-SOURCE		GENERIC		ALL PRODUCTS	
	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
<b>INDEPENDENT PHARMACIES</b>								
CARDHOLDER EXPENDITURES	\$5,547,200	53.0	\$1,016,143	9.7	\$3,896,164	37.2	\$10,459,507	100.0
OTHER PAYER EXPENDITURES	\$11,670,246	71.4	\$2,097,933	12.8	\$2,574,396	15.8	\$16,342,575	100.0
STATE SHARE EXPENDITURES	\$7,411,206	71.1	\$1,210,388	11.6	\$1,803,467	17.3	\$10,425,061	100.0
TOTAL EXPENDITURES	\$24,628,652	66.2	\$4,324,464	11.6	\$8,274,027	22.2	\$37,227,143	100.0
<b>DISPENSING PHYSICIANS</b>								
CARDHOLDER EXPENDITURES	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0	0.0
OTHER PAYER EXPENDITURES	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0	0.0
STATE SHARE EXPENDITURES	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0	0.0
TOTAL EXPENDITURES	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0	0.0
<b>INSTITUTIONAL PHARMACIES</b>								
CARDHOLDER EXPENDITURES	\$36,673	45.7	\$5,129	6.4	\$38,422	47.9	\$80,224	100.0
OTHER PAYER EXPENDITURES	\$118,287	86.4	\$8,239	6.0	\$10,383	7.6	\$136,909	100.0
STATE SHARE EXPENDITURES	\$65,944	74.3	\$2,603	2.9	\$20,253	22.8	\$88,800	100.0
TOTAL EXPENDITURES	\$220,904	72.2	\$15,971	5.2	\$69,058	22.6	\$305,933	100.0
<b>CHAIN PHARMACIES</b>								
CARDHOLDER EXPENDITURES	\$8,792,441	52.9	\$1,563,223	9.4	\$6,273,507	37.7	\$16,629,171	100.0
OTHER PAYER EXPENDITURES	\$17,190,848	68.3	\$2,955,394	11.7	\$5,017,746	19.9	\$25,163,988	100.0
STATE SHARE EXPENDITURES	\$12,195,690	73.7	\$2,017,042	12.2	\$2,345,571	14.2	\$16,558,303	100.0
TOTAL EXPENDITURES	\$38,178,979	65.4	\$6,535,659	11.2	\$13,636,824	23.4	\$58,351,462	100.0
<b>NURSING HOME PHARMACIES</b>								
CARDHOLDER EXPENDITURES	\$157,036	53.7	\$29,504	10.1	\$105,941	36.2	\$292,481	100.0
OTHER PAYER EXPENDITURES	\$355,336	69.5	\$69,052	13.5	\$86,626	17.0	\$511,014	100.0
STATE SHARE EXPENDITURES	\$205,547	67.7	\$50,323	16.6	\$47,949	15.8	\$303,819	100.0
TOTAL EXPENDITURES	\$717,919	64.8	\$148,879	13.4	\$240,516	21.7	\$1,107,314	100.0
<b>MAIL ORDER PHARMACIES</b>								
CARDHOLDER EXPENDITURES	\$158,086	56.2	\$24,460	8.7	\$98,838	35.1	\$281,384	100.0
OTHER PAYER EXPENDITURES	\$779,074	77.2	\$75,721	7.5	\$154,462	15.3	\$1,009,257	100.0
STATE SHARE EXPENDITURES	\$424,455	86.4	\$32,742	6.7	\$33,993	6.9	\$491,190	100.0
TOTAL EXPENDITURES	\$1,361,615	76.4	\$132,923	7.5	\$287,293	16.1	\$1,781,831	100.0
<b>TOTAL (ALL PROVIDERS)</b>								
CARDHOLDER EXPENDITURES	\$14,691,435	53.0	\$2,638,458	9.5	\$10,412,872	37.5	\$27,742,765	100.0
OTHER PAYER EXPENDITURES	\$30,113,791	69.8	\$5,206,338	12.1	\$7,843,612	18.2	\$43,163,741	100.0
STATE SHARE EXPENDITURES	\$20,302,842	72.9	\$3,313,098	11.9	\$4,251,233	15.3	\$27,867,173	100.0
TOTAL EXPENDITURES	\$65,108,068	65.9	\$11,157,894	11.3	\$22,507,717	22.8	\$98,773,679	100.0

<sup>1</sup>IN 2008, THE MONTHLY PACENET DEDUCTIBLE WAS CHANGED TO \$26.59 TO COINCIDE WITH THE REGIONAL MEDICARE PART D BENCHMARK PREMIUM. STATE SHARE EXPENDITURES FOR DEDUCTIBLE CLAIMS ARE ONLY INCURRED FOR TRANSITION CLAIMS WHICH COMPLETE THE \$26.59 MONTHLY DEDUCTIBLE ACCUMULATION. FOR THESE CLAIMS, THE CARDHOLDER PAYS THE OUTSTANDING DEDUCTIBLE AMOUNT AND A COPAYMENT, WHILE PACENET COVERS THE REMAINING COST, IF ANY, OF THE PRESCRIPTION.

SOURCE: PDA/CLAIMS HISTORY

NOTE: DATA INCLUDE ORIGINAL, PAID CLAIMS BY DATE OF PAYMENT.

**TABLE 6.7  
PACENET EXPENDITURES BY PHASE OF COVERAGE, PRODUCT TYPE, AND PROVIDER TYPE  
JANUARY - DECEMBER 2008**

**B. COPAYMENT PHASE CLAIMS**

PROVIDER TYPE	BRAND SINGLE-SOURCE		BRAND MULTI-SOURCE		GENERIC		ALL PRODUCTS	
	AMOUNT	%	AMOUNT	%	AMOUNT	%	AMOUNT	%
<b>INDEPENDENT PHARMACIES</b>								
CARDHOLDER EXPENDITURES	\$7,487,592	49.9	\$1,472,929	9.8	\$6,047,896	40.3	\$15,008,417	100.0
OTHER PAYER EXPENDITURES	\$26,082,440	69.4	\$4,577,144	12.2	\$6,924,975	18.4	\$37,584,559	100.0
STATE SHARE EXPENDITURES	\$34,003,511	67.0	\$6,071,772	12.0	\$10,642,816	21.0	\$50,718,099	100.0
TOTAL EXPENDITURES	\$67,573,543	65.4	\$12,121,845	11.7	\$23,615,687	22.9	\$103,311,075	100.0
<b>DISPENSING PHYSICIANS</b>								
CARDHOLDER EXPENDITURES	\$195	100.0	\$0	0.0	\$0	0.0	\$195	100.0
OTHER PAYER EXPENDITURES	\$8,694	100.0	\$0	0.0	\$0	0.0	\$8,694	100.0
STATE SHARE EXPENDITURES <sup>1</sup>	\$1,607	100.0	\$0	0.0	\$0	0.0	\$1,607	100.0
TOTAL EXPENDITURES	\$10,496	100.0	\$0	0.0	\$0	0.0	\$10,496	100.0
<b>INSTITUTIONAL PHARMACIES</b>								
CARDHOLDER EXPENDITURES	\$54,092	45.9	\$11,131	9.4	\$52,653	44.7	\$117,876	100.0
OTHER PAYER EXPENDITURES	\$206,675	68.2	\$34,687	11.4	\$61,756	20.4	\$303,118	100.0
STATE SHARE EXPENDITURES	\$291,349	68.3	\$33,505	7.8	\$102,030	23.9	\$426,884	100.0
TOTAL EXPENDITURES	\$552,116	65.1	\$79,323	9.4	\$216,439	25.5	\$847,878	100.0
<b>CHAIN PHARMACIES</b>								
CARDHOLDER EXPENDITURES	\$11,740,376	49.9	\$2,214,273	9.4	\$9,554,870	40.6	\$23,509,519	100.0
OTHER PAYER EXPENDITURES	\$40,303,214	65.9	\$6,799,115	11.1	\$14,044,544	23.0	\$61,146,873	100.0
STATE SHARE EXPENDITURES	\$51,897,877	70.2	\$9,121,128	12.3	\$12,871,944	17.4	\$73,890,949	100.0
TOTAL EXPENDITURES	\$103,941,467	65.6	\$18,134,516	11.4	\$36,471,358	23.0	\$158,547,341	100.0
<b>NURSING HOME PHARMACIES</b>								
CARDHOLDER EXPENDITURES	\$291,623	47.2	\$61,235	9.9	\$265,135	42.9	\$617,993	100.0
OTHER PAYER EXPENDITURES	\$994,481	66.0	\$177,277	11.8	\$334,605	22.2	\$1,506,363	100.0
STATE SHARE EXPENDITURES	\$1,298,473	67.6	\$239,582	12.5	\$383,910	20.0	\$1,921,965	100.0
TOTAL EXPENDITURES	\$2,584,577	63.9	\$478,094	11.8	\$983,650	24.3	\$4,046,321	100.0
<b>MAIL ORDER PHARMACIES</b>								
CARDHOLDER EXPENDITURES	\$450,157	53.3	\$74,707	8.8	\$319,856	37.9	\$844,720	100.0
OTHER PAYER EXPENDITURES	\$2,930,651	69.3	\$369,213	8.7	\$929,361	22.0	\$4,229,225	100.0
STATE SHARE EXPENDITURES	\$1,640,903	80.4	\$184,891	9.1	\$216,349	10.6	\$2,042,143	100.0
TOTAL EXPENDITURES	\$5,021,711	70.6	\$628,811	8.8	\$1,465,566	20.6	\$7,116,088	100.0
<b>TOTAL (ALL PROVIDERS)</b>								
CARDHOLDER EXPENDITURES	\$20,024,036	49.9	\$3,834,276	9.6	\$16,240,410	40.5	\$40,098,722	100.0
OTHER PAYER EXPENDITURES	\$70,526,156	67.3	\$11,957,435	11.4	\$22,295,241	21.3	\$104,778,832	100.0
STATE SHARE EXPENDITURES	\$89,133,721	69.1	\$15,650,877	12.1	\$24,217,049	18.8	\$129,001,647	100.0
TOTAL EXPENDITURES	\$179,683,913	65.6	\$31,442,588	11.5	\$62,752,700	22.9	\$273,879,201	100.0

<sup>1</sup>IN 2008, THE MONTHLY PACENET DEDUCTIBLE WAS CHANGED TO \$26.59 TO COINCIDE WITH THE REGIONAL MEDICARE PART D BENCHMARK PREMIUM. STATE SHARE EXPENDITURES FOR DEDUCTIBLE CLAIMS ARE ONLY INCURRED FOR TRANSITION CLAIMS WHICH COMPLETE THE \$26.59 MONTHLY DEDUCTIBLE ACCUMULATION. FOR THESE CLAIMS, THE CARDHOLDER PAYS THE OUTSTANDING DEDUCTIBLE AMOUNT AND A COPAYMENT, WHILE PACENET COVERS THE REMAINING COST, IF ANY, OF THE PRESCRIPTION.

SOURCE: PDA/CLAIMS HISTORY

NOTE: DATA INCLUDE ORIGINAL, PAID CLAIMS BY DATE OF PAYMENT.

**TABLE 6.8**  
**AVERAGE CARDHOLDER AND STATE SHARE COST PER PACENET CLAIM**  
**BY PHASE OF COVERAGE, PRODUCT TYPE, AND PROVIDER TYPE**  
**JANUARY - DECEMBER 2008**

PROVIDER TYPE	<u>DEDUCTIBLE PHASE<sup>1</sup></u>				<u>COPAYMENT PHASE</u>			
	BRAND SINGLE- SOURCE	BRAND MULTI- SOURCE	GENERIC	TOTAL	BRAND SINGLE- SOURCE	BRAND MULTI- SOURCE	GENERIC	TOTAL
<b>INDEPENDENT PHARMACIES</b>								
AVERAGE CARDHOLDER SHARE <sup>2</sup>	\$28.56	\$25.78	\$10.48	\$17.28	\$14.57	\$13.92	\$6.22	\$9.42
AVERAGE OTHER PAYER SHARE	\$60.09	\$53.23	\$6.92	\$26.99	\$50.77	\$43.25	\$7.12	\$23.60
AVERAGE STATE SHARE	\$38.16	\$30.71	\$4.85	\$17.22	\$66.18	\$57.37	\$10.94	\$31.85
AVERAGE TOTAL RX COST	\$126.80	\$109.72	\$22.25	\$61.48	\$131.53	\$114.54	\$24.27	\$64.87
<b>DISPENSING PHYSICIANS</b>								
AVERAGE CARDHOLDER SHARE <sup>2</sup>	\$0.00	\$0.00	\$0.00	\$0.00	\$13.93	\$0.00	\$0.00	\$13.93
AVERAGE OTHER PAYER SHARE	\$0.00	\$0.00	\$0.00	\$0.00	\$621.00	\$0.00	\$0.00	\$621.00
AVERAGE STATE SHARE	\$0.00	\$0.00	\$0.00	\$0.00	\$114.80	\$0.00	\$0.00	\$114.80
AVERAGE TOTAL RX COST	\$0.00	\$0.00	\$0.00	\$0.00	\$749.73	\$0.00	\$0.00	\$749.73
<b>INSTITUTIONAL PHARMACIES</b>								
AVERAGE CARDHOLDER SHARE <sup>2</sup>	\$32.17	\$20.76	\$14.09	\$19.50	\$14.49	\$12.77	\$5.96	\$8.77
AVERAGE OTHER PAYER SHARE	\$103.76	\$33.36	\$3.81	\$33.28	\$55.35	\$39.78	\$6.99	\$22.54
AVERAGE STATE SHARE	\$57.85	\$10.54	\$7.43	\$21.58	\$78.03	\$38.42	\$11.54	\$31.75
AVERAGE TOTAL RX COST	\$193.78	\$64.66	\$25.32	\$74.36	\$147.86	\$90.97	\$24.48	\$63.05
<b>CHAIN PHARMACIES</b>								
AVERAGE CARDHOLDER SHARE <sup>2</sup>	\$29.62	\$26.87	\$9.51	\$16.39	\$14.92	\$14.27	\$5.88	\$9.16
AVERAGE OTHER PAYER SHARE	\$57.91	\$50.80	\$7.61	\$24.80	\$51.21	\$43.81	\$8.64	\$23.81
AVERAGE STATE SHARE	\$41.08	\$34.67	\$3.56	\$16.32	\$65.94	\$58.78	\$7.92	\$28.78
AVERAGE TOTAL RX COST	\$128.62	\$112.35	\$20.67	\$57.50	\$132.06	\$116.86	\$22.44	\$61.75
<b>NURSING HOME PHARMACIES</b>								
AVERAGE CARDHOLDER SHARE <sup>2</sup>	\$27.09	\$23.14	\$9.31	\$15.85	\$14.25	\$13.15	\$5.93	\$8.84
AVERAGE OTHER PAYER SHARE	\$61.31	\$54.16	\$7.61	\$27.69	\$48.59	\$38.07	\$7.48	\$21.56
AVERAGE STATE SHARE	\$35.46	\$39.47	\$4.21	\$16.46	\$63.44	\$51.45	\$8.58	\$27.51
AVERAGE TOTAL RX COST	\$123.86	\$116.77	\$21.13	\$60.00	\$126.28	\$102.66	\$21.98	\$57.91
<b>MAIL ORDER PHARMACIES</b>								
AVERAGE CARDHOLDER SHARE <sup>2</sup>	\$32.98	\$29.79	\$10.45	\$18.67	\$26.97	\$25.03	\$9.16	\$15.47
AVERAGE OTHER PAYER SHARE	\$162.54	\$92.23	\$16.34	\$66.98	\$175.61	\$123.69	\$26.61	\$77.46
AVERAGE STATE SHARE	\$88.56	\$39.88	\$3.60	\$32.60	\$98.33	\$61.94	\$6.19	\$37.40
AVERAGE TOTAL RX COST	\$284.08	\$161.90	\$30.39	\$118.25	\$300.92	\$210.66	\$41.96	\$130.34
<b>TOTAL (ALL PROVIDERS)</b>								
AVERAGE CARDHOLDER SHARE <sup>2</sup>	\$29.22	\$26.40	\$9.87	\$16.73	\$14.92	\$14.23	\$6.04	\$9.33
AVERAGE OTHER PAYER SHARE	\$59.89	\$52.10	\$7.43	\$26.04	\$52.56	\$44.36	\$8.30	\$24.38
AVERAGE STATE SHARE	\$40.38	\$33.15	\$4.03	\$16.81	\$66.43	\$58.07	\$9.01	\$30.01
AVERAGE TOTAL RX COST	\$129.49	\$111.66	\$21.33	\$59.58	\$133.92	\$116.66	\$23.36	\$63.72

<sup>1</sup>IN 2008, THE MONTHLY PACENET DEDUCTIBLE WAS CHANGED TO \$26.59 TO COINCIDE WITH THE REGIONAL MEDICARE PART D BENCHMARK PREMIUM. STATE SHARE EXPENDITURES FOR DEDUCTIBLE CLAIMS ARE ONLY INCURRED FOR TRANSITION CLAIMS WHICH COMPLETE THE \$26.59 MONTHLY DEDUCTIBLE ACCUMULATION. FOR THESE CLAIMS, THE CARDHOLDER PAYS THE OUTSTANDING DEDUCTIBLE AMOUNT AND A COPAYMENT, WHILE PACENET COVERS THE REMAINING COST, IF ANY, OF THE PRESCRIPTION.

<sup>2</sup>THE CARDHOLDER SHARE INCLUDES THE DEDUCTIBLE PAYMENTS, COPAYMENTS, AND GENERIC DIFFERENTIAL PAYMENTS IF BRAND IS CHOSEN OVER GENERIC. THE CARDHOLDER SHARE DURING THE COPAYMENT PHASE MAY THEREFORE EXCEED THE \$8 OR \$15 COPAYMENT.

SOURCE: PDA/CLAIMS HISTORY

NOTE: DATA INCLUDE ORIGINAL, PAID CLAIMS BY DATE OF PAYMENT.



**SECTION 7**

**THERAPEUTIC  
CLASS DATA  
AND  
DRUG UTILIZATION  
REVIEW DATA**



**TABLE 7.1A  
NUMBER AND PERCENT OF PACE CLAIMS, STATE SHARE EXPENDITURES, AND CARDHOLDERS WITH CLAIMS  
BY THERAPEUTIC CLASS  
JANUARY - DECEMBER 2008**

THERAPEUTIC CLASS <sup>1</sup>	TOTAL CLAIMS	% OF		TOTAL EXPENDITURE	% OF TOTAL	CARD- HOLDERS WITH ANY CLAIMS	% OF PARTICIPATING CARDHOLDERS	ANNUAL COST (PERSONS WITH CLAIMS IN CLASS)	ANNUAL COST (ALL ENROLLED) <sup>2</sup>
		TOTAL	TOTAL						
ANTI-INFECTIVE AGENTS	153,538	2.6%	\$2,896,272.26	2.0%	61,501	43.6%	\$47.09	\$16.92	
QUINOLONES	36,529	0.6%	\$755,287.16	0.5%	24,081	17.1%	\$31.36	\$4.41	
CEPHALOSPORINS	17,187	0.3%	\$119,720.37	0.1%	12,221	8.7%	\$9.80	\$0.70	
ANTINEOPLASTIC AGENTS	31,664	0.5%	\$3,617,033.79	2.5%	5,486	3.9%	\$659.32	\$21.12	
AUTONOMIC DRUGS	197,147	3.3%	\$9,438,567.50	6.5%	34,579	24.5%	\$272.96	\$55.12	
ANTICHOLINERGICS	50,381	0.9%	\$2,216,460.36	1.5%	10,815	7.7%	\$204.94	\$12.94	
ADRENERGIC AGENTS	63,781	1.1%	\$1,660,544.93	1.1%	16,536	11.7%	\$100.42	\$9.70	
BLOOD FORMATION & COAGULATION AGENTS	265,083	4.5%	\$10,749,503.56	7.4%	35,246	25.0%	\$304.99	\$62.78	
CARDIOVASCULAR DRUGS	2,048,827	34.8%	\$37,215,368.73	25.5%	117,229	83.1%	\$317.46	\$217.35	
CARDIAC DRUGS	1,347,250	22.9%	\$19,425,247.57	13.3%	106,134	75.2%	\$183.03	\$113.45	
ANGIOTENSION RECEPTOR BLOCKERS	255,846	4.3%	\$8,508,297.95	5.8%	30,921	21.9%	\$275.16	\$49.69	
ACE INHIBITORS	263,998	4.5%	\$1,736,226.70	1.2%	39,268	27.8%	\$44.21	\$10.14	
CARDIAC GLYCOSIDES	60,677	1.0%	\$33,304.17	0.0%	9,517	6.7%	\$3.50	\$0.19	
ANTIARRHYTHMIC AGENTS	16,228	0.3%	\$336,526.25	0.2%	2,776	2.0%	\$121.23	\$1.97	
BETA BLOCKERS	412,668	7.0%	\$2,873,599.85	2.0%	58,795	41.7%	\$48.87	\$16.78	
CALCIUM CHANNEL BLOCKERS	319,028	5.4%	\$5,141,406.66	3.5%	43,268	30.7%	\$118.83	\$30.03	
LIPID-LOWERING AGENTS	551,723	9.4%	\$16,347,251.82	11.2%	67,591	47.9%	\$241.86	\$95.47	
HYPOTENSIVE AGENTS	52,254	0.9%	\$564,346.05	0.4%	7,888	5.6%	\$71.54	\$3.30	
VASODILATING AGENTS	97,600	1.7%	\$878,523.29	0.6%	16,477	11.7%	\$53.32	\$5.13	
ANALGESICS/ANTIPIRETTICS	268,935	4.6%	\$5,524,119.93	3.8%	51,701	36.6%	\$106.85	\$32.26	
NSAIDS	89,919	1.5%	\$2,779,061.63	1.9%	21,361	15.1%	\$130.10	\$16.23	
COX-2 INHIBITORS	38,321	0.7%	\$2,293,482.14	1.6%	7,137	5.1%	\$321.35	\$13.39	
OPIATE AGONISTS	151,314	2.6%	\$2,373,665.35	1.6%	35,614	25.2%	\$66.65	\$13.86	
PSYCHOTHERAPEUTIC AGENTS	270,080	4.6%	\$7,922,008.47	5.4%	33,945	24.0%	\$233.38	\$46.27	
ANTIDEPRESSANTS	228,756	3.9%	\$4,670,369.64	3.2%	31,600	22.4%	\$147.80	\$27.28	
SSRI ANTIDEPRESSANTS	99,861	1.7%	\$829,895.72	0.6%	16,231	11.5%	\$51.13	\$4.85	
ANTIPSYCHOTICS	41,324	0.7%	\$3,251,638.83	2.2%	5,865	4.2%	\$554.41	\$18.99	
ANXIOLYTICS/SEDATIVES/HYPNOTICS	202,442	3.4%	\$2,923,205.67	2.0%	32,357	22.9%	\$90.34	\$17.07	
BENZODIAZEPINES	149,857	2.5%	\$1,622,677.99	1.1%	25,172	17.8%	\$64.46	\$9.48	
MISCELLANEOUS ANX/SED/HYPNOTICS	49,274	0.8%	\$1,289,441.33	0.9%	9,975	7.1%	\$129.27	\$7.53	

**TABLE 7.1A  
NUMBER AND PERCENT OF PACE CLAIMS, STATE SHARE EXPENDITURES, AND CARDHOLDERS WITH CLAIMS  
BY THERAPEUTIC CLASS  
JANUARY - DECEMBER 2008**

THERAPEUTIC CLASS <sup>1</sup>	TOTAL	% OF	TOTAL	% OF	CARD-	% OF	ANNUAL COST	
	CLAIMS	TOTAL	EXPENDITURE	TOTAL	HOLDERS WITH ANY CLAIMS	PARTICIPATING CARDHOLDERS	(PERSONS WITH CLAIMS IN CLASS)	ENROLLED <sup>2</sup>
REPLACEMENT PREPARATIONS	123,084	2.1%	\$490,754.47	0.3%	22,048	15.6%	\$22.26	\$2.87
DIURETICS	324,908	5.5%	\$390,919.60	0.3%	52,003	36.8%	\$7.52	\$2.28
LOOP DIURETICS	176,818	3.0%	\$155,153.17	0.1%	32,289	22.9%	\$4.81	\$0.91
POTASSIUM-SPARING DIURETICS	55,905	0.9%	\$115,181.51	0.1%	9,305	6.6%	\$12.38	\$0.67
THIAZIDE DIURETICS	90,665	1.5%	\$93,618.17	0.1%	16,589	11.8%	\$5.64	\$0.55
ANTITUSSIVES, EXPECTORANTS AND MUCOLYTICS	20,993	0.4%	\$289,073.66	0.2%	12,348	8.7%	\$23.41	\$1.69
EYE, EAR, NOSE AND THROAT PREPARATIONS	176,309	3.0%	\$5,393,407.96	3.7%	34,658	24.6%	\$155.62	\$31.50
GASTROINTESTINAL AGENTS	379,607	6.4%	\$18,822,217.64	12.9%	56,395	40.0%	\$333.76	\$109.93
H2-RECEPTOR ANTAGONISTS	31,946	0.5%	\$147,530.35	0.1%	6,417	4.5%	\$22.99	\$0.86
PROTON PUMP INHIBITORS	294,103	5.0%	\$17,449,100.45	11.9%	43,530	30.8%	\$400.85	\$101.91
OTHER MISCELL. ANTI-JULCER AGENTS	10,799	0.2%	\$564,819.15	0.4%	2,242	1.6%	\$251.93	\$3.30
HORMONES AND SYNTHETIC SUBSTANCES	676,019	11.5%	\$15,100,613.58	10.3%	69,876	49.5%	\$216.11	\$88.19
ADRENALS AND COMB.	98,849	1.7%	\$4,259,981.68	2.9%	24,254	17.2%	\$175.64	\$24.88
ESTROGENS AND COMB.	15,501	0.3%	\$335,164.16	0.2%	3,412	2.4%	\$98.23	\$1.96
ANTI-DIABETIC AGENTS	350,312	5.9%	\$10,013,275.65	6.9%	32,227	22.8%	\$310.71	\$58.48
THYROID AND ANTITHYROID AGENTS	210,114	3.6%	\$369,586.68	0.3%	28,120	19.9%	\$13.14	\$2.16
SMOOTH MUSCLE RELAXANTS	76,596	1.3%	\$3,139,150.80	2.1%	12,132	8.6%	\$258.75	\$18.33
THEOPHYLLINE AND RELATED DRUGS	7,999	0.1%	\$57,933.70	0.0%	1,174	0.8%	\$49.35	\$0.34
DRUGS FOR OSTEOPOROSIS	179,089	3.0%	\$6,522,950.14	4.5%	24,693	17.5%	\$264.16	\$38.10
ALL OTHER DRUGS	498,292	8.5%	\$15,732,113.87	10.8%	71,307	50.5%	\$220.63	\$91.88
ALL CLASSES COMBINED	5,892,613	100.0%	\$146,167,281.63	100.0%	141,150	100.0%	\$1,035.55	\$853.66

<sup>1</sup>The average annual number of unique therapeutic classes used by cardholders with one or more claims in 2008 was 5.7.

<sup>2</sup>The annual cost per enrollee is based on total cardholders enrolled in PACE for any portion of calendar year 2008 (N=171,225).

SOURCE: PDA/CLAIMS HISTORY AND DRUG FILES

NOTE: DATA INCLUDE ORIGINAL, PAID CLAIMS BY DATE OF SERVICE, EXCLUDE PACENET CLAIMS.

**TABLE 7.1B  
NUMBER AND PERCENT OF PACENET CLAIMS, STATE SHARE EXPENDITURES, AND CARDHOLDERS WITH CLAIMS  
BY THERAPEUTIC CLASS  
JANUARY - DECEMBER 2008**

THERAPEUTIC CLASS <sup>1</sup>	TOTAL CLAIMS	% OF TOTAL	STATE SHARE EXPENDITURE	% OF TOTAL	CARD- HOLDERS WITH ANY CLAIMS	% OF PARTICIPATING CARDHOLDERS	ANNUAL COST (PERSONS WITH CLAIMS IN CLASS)	ANNUAL COST (ALL ENROLLED) <sup>2</sup>
ANTI-INFECTIVE AGENTS	173,686	2.9%	\$3,312,822.86	2.1%	68,498	45.3%	\$48.36	\$16.97
QUINOLONES	40,841	0.7%	\$866,021.04	0.5%	26,810	17.7%	\$32.30	\$4.44
CEPHALOSPORINS	19,441	0.3%	\$127,653.30	0.1%	13,899	9.2%	\$9.18	\$0.65
ANTINEOPLASTIC AGENTS	37,391	0.6%	\$6,246,608.87	4.0%	6,149	4.1%	\$1,015.87	\$32.00
AUTONOMIC DRUGS	206,041	3.4%	\$10,636,465.13	6.7%	36,066	23.9%	\$294.92	\$54.48
ANTICHOLINERGICS	56,901	0.9%	\$2,971,009.05	1.9%	11,960	7.9%	\$248.41	\$15.22
ADRENERGIC AGENTS	64,292	1.1%	\$1,767,597.35	1.1%	17,063	11.3%	\$103.59	\$9.05
BLOOD FORMATION & COAGULATION AGENTS	293,430	4.9%	\$13,300,547.16	8.4%	39,593	26.2%	\$335.93	\$68.13
CARDIOVASCULAR DRUGS	91,648	1.5%	\$35,882,872.14	22.7%	124,236	82.2%	\$288.83	\$183.80
CARDIAC DRUGS	341,697	5.7%	\$17,099,069.98	10.8%	110,674	73.2%	\$154.50	\$87.59
ANGIOTENSION RECEPTOR BLOCKERS	250,030	4.1%	\$7,649,498.55	4.8%	31,320	20.7%	\$244.24	\$39.18
ACE INHIBITORS	264,169	4.4%	\$1,315,361.44	0.8%	41,298	27.3%	\$31.85	\$6.74
CARDIAC GLYCOSIDES	57,961	1.0%	\$6,478.96	0.0%	9,582	6.3%	\$0.68	\$0.03
ANTIARRHYTHMIC AGENTS	19,445	0.3%	\$421,483.66	0.3%	3,513	2.3%	\$119.98	\$2.16
BETA BLOCKERS	421,423	7.0%	\$2,510,139.03	1.6%	62,453	41.3%	\$40.19	\$12.86
CALCIUM CHANNEL BLOCKERS	308,646	5.1%	\$4,355,280.04	2.8%	43,035	28.5%	\$101.20	\$22.31
LIPID-LOWERING AGENTS	598,876	9.9%	\$17,357,897.95	11.0%	75,117	49.7%	\$231.08	\$88.91
HYPOTENSIVE AGENTS	58,960	1.0%	\$564,628.12	0.4%	9,208	6.1%	\$61.32	\$2.89
VASODILATING AGENTS	92,115	1.5%	\$861,276.09	0.5%	16,832	11.1%	\$51.17	\$4.41
ANALGESICS/ANTIPIRETTICS	265,348	4.4%	\$5,737,660.92	3.6%	53,427	35.3%	\$107.39	\$29.39
NSAIDS	83,197	1.4%	\$2,605,505.79	1.6%	21,113	14.0%	\$123.41	\$13.35
COX-2 INHIBITORS	35,612	0.6%	\$2,217,183.49	1.4%	6,957	4.6%	\$318.70	\$11.36
OPIATE AGONISTS	153,761	2.6%	\$2,774,999.32	1.8%	37,456	24.8%	\$74.09	\$14.21
PSYCHOTHERAPEUTIC AGENTS	278,225	4.6%	\$8,392,921.76	5.3%	35,592	23.5%	\$235.81	\$42.99
ANTIDEPRESSANTS	238,714	4.0%	\$5,077,408.27	3.2%	33,529	22.2%	\$151.43	\$26.01
SSRI ANTIDEPRESSANTS	102,075	1.7%	\$678,390.36	0.4%	17,300	11.4%	\$39.21	\$3.47
ANTIPSYCHOTICS	39,511	0.7%	\$3,315,513.49	2.1%	5,597	3.7%	\$592.37	\$16.98
ANXIOLYTICS/SEDATIVES/HYPNOTICS	188,303	3.1%	\$2,216,483.62	1.4%	32,122	21.3%	\$69.00	\$11.35
BENZODIAZEPINES	138,282	2.3%	\$1,035,533.52	0.7%	24,809	16.4%	\$41.74	\$5.30
MISCELLANEOUS ANX/SED/HYPNOTICS	47,017	0.8%	\$1,172,712.15	0.7%	10,084	6.7%	\$116.29	\$6.01

**TABLE 7.1B  
NUMBER AND PERCENT OF PACENET CLAIMS, STATE SHARE EXPENDITURES, AND CARDHOLDERS WITH CLAIMS  
BY THERAPEUTIC CLASS  
JANUARY - DECEMBER 2008**

THERAPEUTIC CLASS <sup>1</sup>	TOTAL	% OF	STATE SHARE	% OF	CARD-	% OF	ANNUAL COST	
	CLAIMS	TOTAL	EXPENDITURE	TOTAL	HOLDERS WITH ANY CLAIMS	PARTICIPATING CARDHOLDERS	(PERSONS WITH CLAIMS IN CLASS)	ANNUAL COST (ALL ENROLLED) <sup>2</sup>
REPLACEMENT PREPARATIONS	114,927	1.9%	\$393,005.17	0.2%	21,142	14.0%	\$18.59	\$2.01
DIURETICS	312,953	5.2%	\$276,382.28	0.2%	52,145	34.5%	\$5.30	\$1.42
LOOP DIURETICS	168,030	2.8%	\$121,247.93	0.1%	31,655	20.9%	\$3.83	\$0.62
POTASSIUM-SPARING DIURETICS	54,905	0.9%	\$66,984.23	0.0%	9,613	6.4%	\$6.97	\$0.34
THIAZIDE DIURETICS	88,389	1.5%	\$65,776.99	0.0%	17,154	11.3%	\$3.83	\$0.34
ANTITUSSIVES, EXPECTORANTS AND MUCOLYTICS	21,179	0.4%	\$204,151.91	0.1%	12,915	8.5%	\$15.81	\$1.05
EYE, EAR, NOSE AND THROAT PREPARATIONS	176,515	2.9%	\$4,908,404.21	3.1%	36,758	24.3%	\$133.53	\$25.14
GASTROINTESTINAL AGENTS	354,494	5.9%	\$17,851,063.37	11.3%	55,630	36.8%	\$320.89	\$91.44
H2-RECEPTOR ANTAGONISTS	27,623	0.5%	\$81,164.56	0.1%	5,856	3.9%	\$13.86	\$0.42
PROTON PUMP INHIBITORS	270,083	4.5%	\$16,168,931.00	10.2%	41,568	27.5%	\$388.98	\$82.82
OTHER MISCELL. ANTI-ULCER AGENTS	12,415	0.2%	\$859,625.41	0.5%	2,586	1.7%	\$332.42	\$4.40
HORMONES AND SYNTHETIC SUBSTANCES	715,160	11.9%	\$19,936,487.95	12.6%	75,220	49.8%	\$265.04	\$102.12
ADRENALS AND COMB.	110,348	1.8%	\$5,511,790.49	3.5%	27,365	18.1%	\$201.42	\$28.23
ESTROGENS AND COMB.	17,296	0.3%	\$303,086.81	0.2%	3,838	2.5%	\$78.97	\$1.55
ANTI-DIABETIC AGENTS	395,332	6.6%	\$13,796,452.89	8.7%	36,287	24.0%	\$380.20	\$70.67
THYROID AND ANTITHYROID AGENTS	190,586	3.2%	\$128,463.60	0.1%	26,937	17.8%	\$4.77	\$0.66
SMOOTH MUSCLE RELAXANTS	75,493	1.3%	\$3,107,697.23	2.0%	12,122	8.0%	\$256.37	\$15.92
THEOPHYLLINE AND RELATED DRUGS	8,605	0.1%	\$58,021.82	0.0%	1,332	0.9%	\$43.56	\$0.30
DRUGS FOR OSTEOPOROSIS	165,345	2.7%	\$5,951,609.35	3.8%	23,550	15.6%	\$252.72	\$30.49
ALL OTHER DRUGS	559,327	9.3%	\$19,625,895.09	12.4%	78,213	51.7%	\$250.93	\$100.53
ALL CLASSES COMBINED	6,029,465	100.0%	\$157,981,079.02	100.0%	151,147	100.0%	\$1,045.21	\$809.22

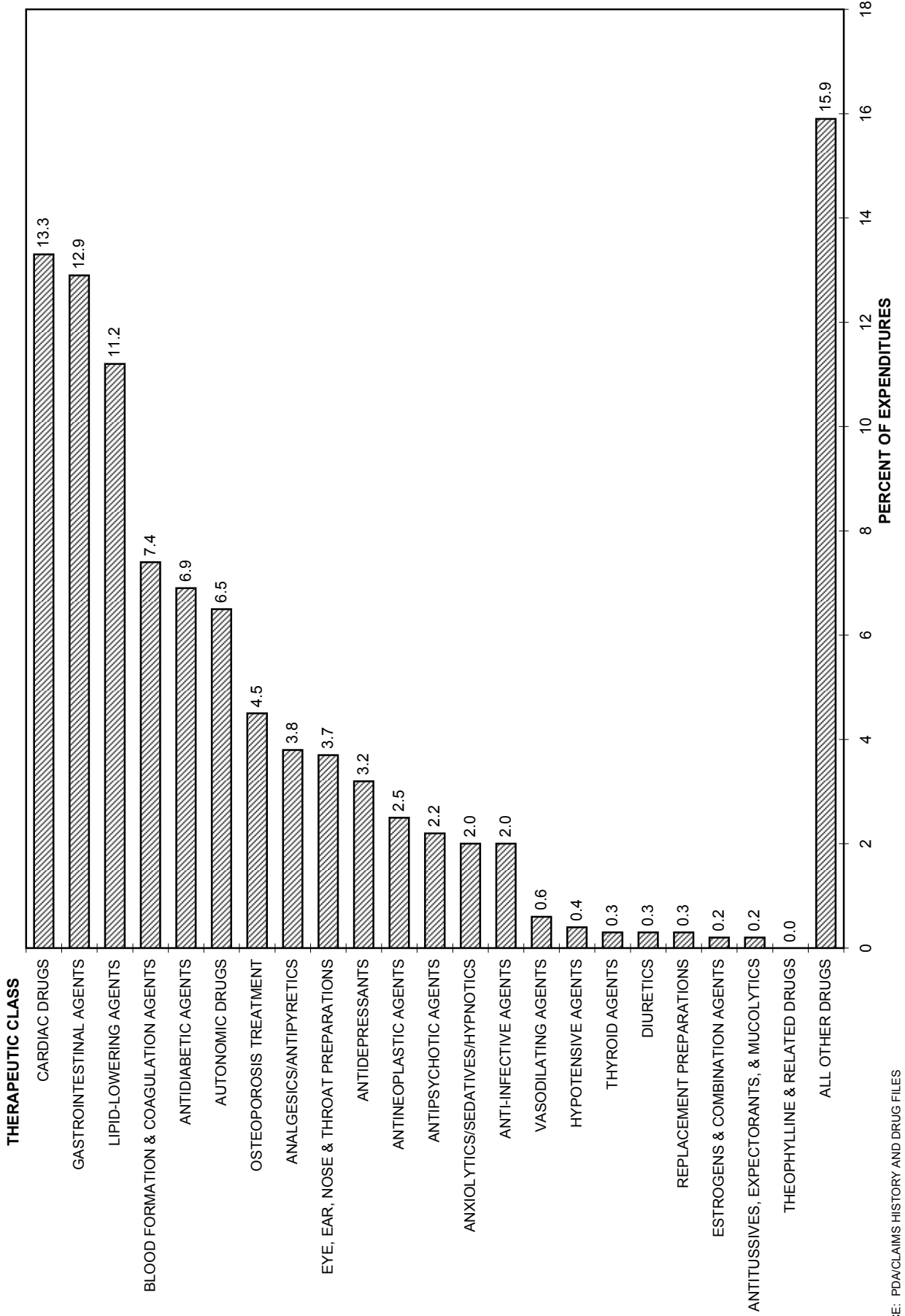
<sup>1</sup> The average annual number of unique therapeutic classes used by cardholders with one or more claims in 2008 was 5.6.

<sup>2</sup> The annual cost per enrollee is based on total cardholders enrolled in PACENET for any portion of calendar year 2008 (N=195,227).

SOURCE: PDA/CLAIMS HISTORY AND DRUG FILES

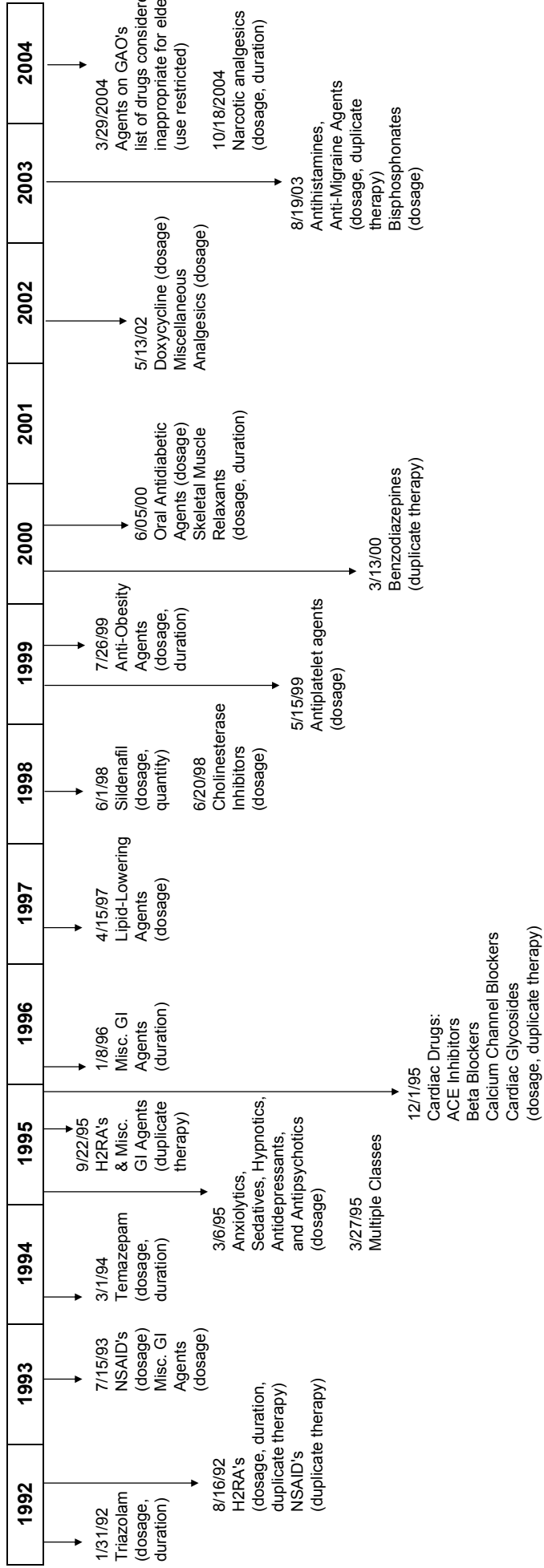
NOTE: DATA INCLUDE ORIGINAL, PAID PACENET CLAIMS BY DATE OF SERVICE. TOTAL CLAIMS INCLUDE DEDUCTIBLE CLAIMS AND COPAID CLAIMS.

**FIGURE 7.1**  
**PERCENT OF PACE STATE SHARE EXPENDITURES BY THERAPEUTIC CLASS**  
**JANUARY - DECEMBER 2008**  
**(TOTAL EXPENDITURES = \$146,167,282)**

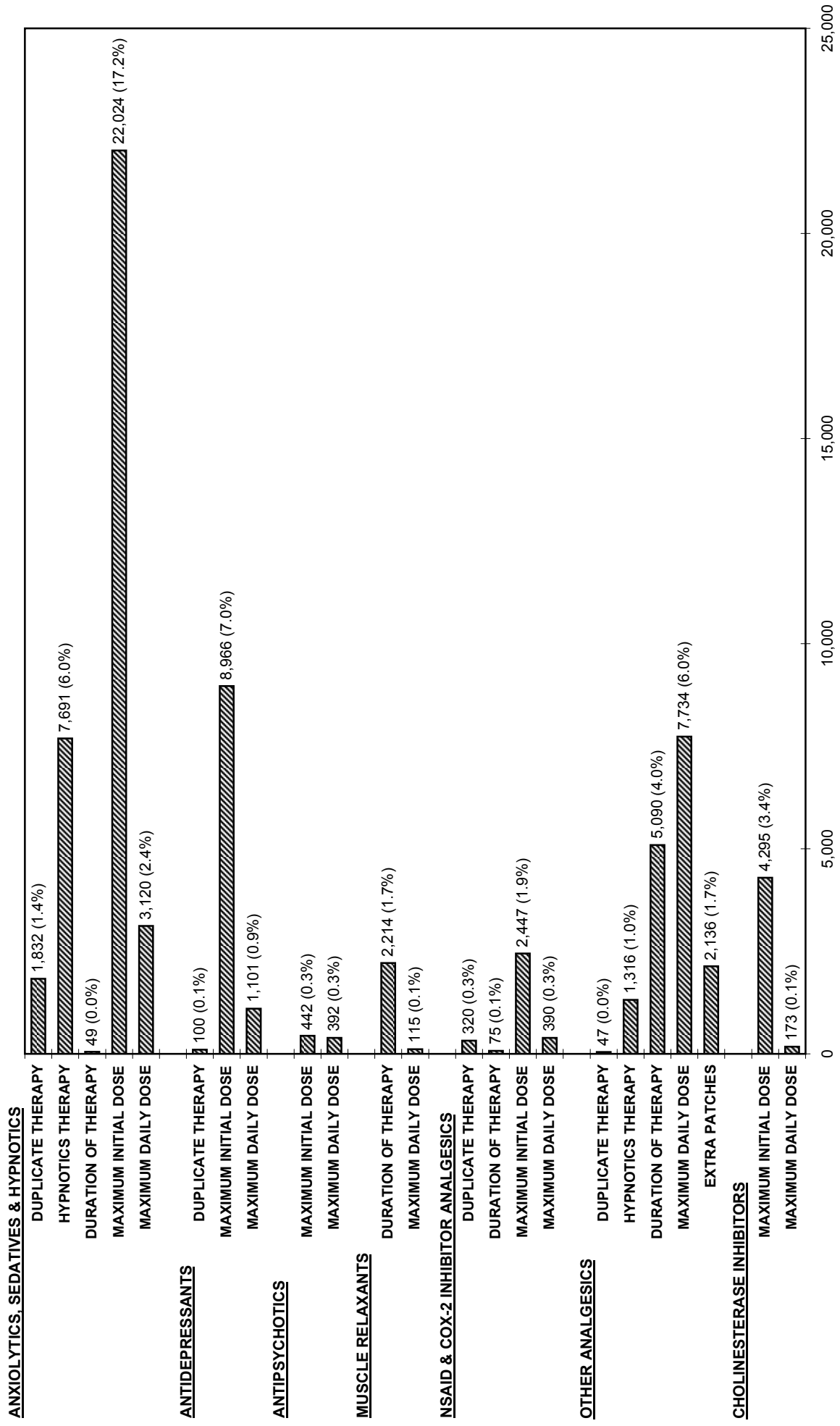


SOURCE: PDA/CLAIMS HISTORY AND DRUG FILES  
 NOTE: DATA INCLUDE ORIGINAL, PAID CLAIMS BY DATE OF SERVICE, EXCLUDE PACENET CLAIMS.

**FIGURE 7.2  
TIMELINE OF PRODUR IMPLEMENTATION**

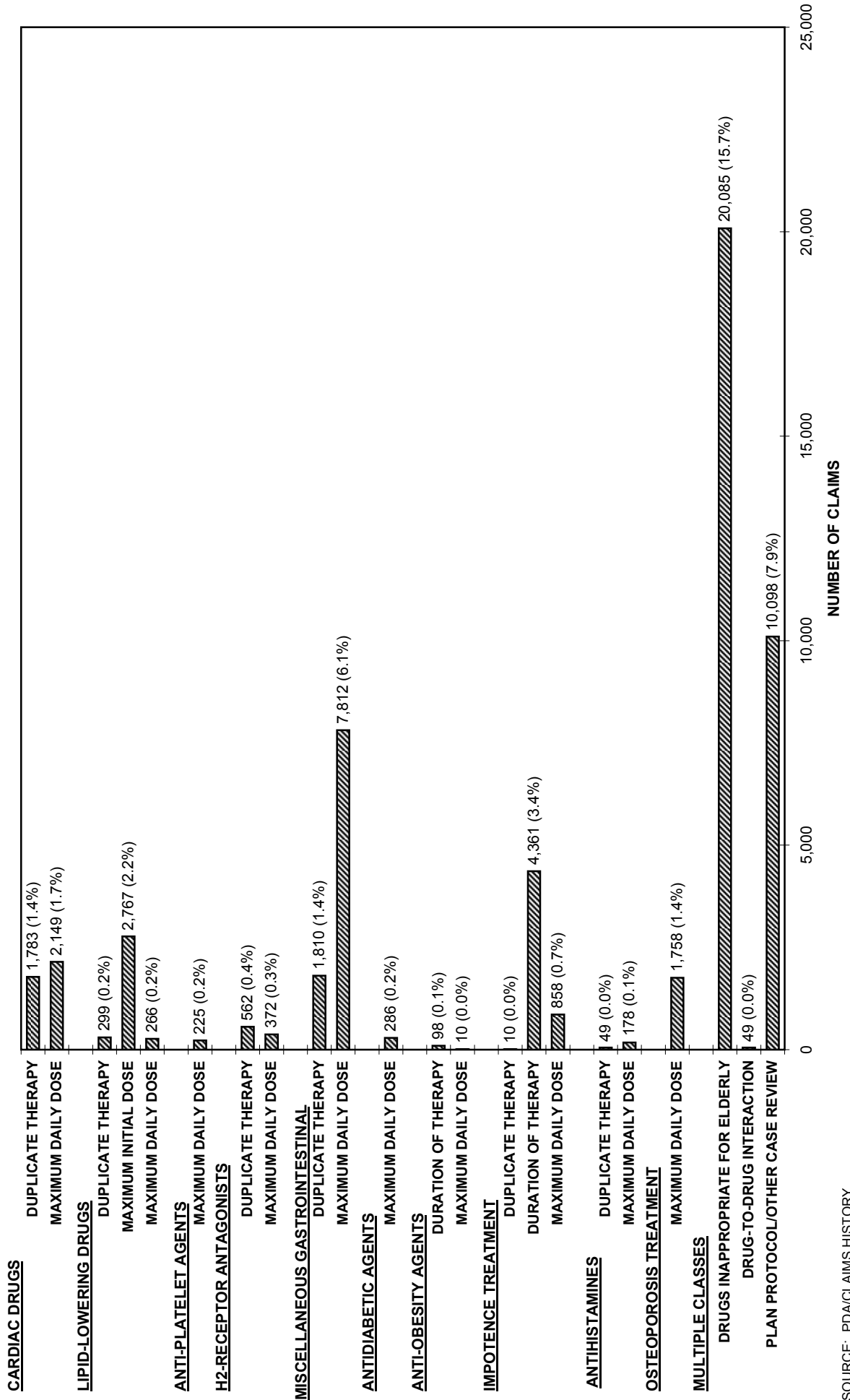


**FIGURE 7.3**  
**NUMBER AND PERCENT OF PACE AND PACENET CLAIMS WITH A PROSPECTIVE**  
**REVIEW MESSAGE BY THERAPEUTIC CLASS**  
**JANUARY - DECEMBER 2008**  
**N = 127,954**



SOURCE: PDA/CLAIMS HISTORY  
 NOTE: DATA INCLUDE CLAIMS BY DATE OF SERVICE WITH MULTIPLE SUBMISSIONS OF SAME CLAIM ON SAME DAY DELETED.

**FIGURE 7.3 (CONTINUED)**  
**NUMBER AND PERCENT OF PACE AND PACENET CLAIMS WITH A PROSPECTIVE**  
**REVIEW MESSAGE BY THERAPEUTIC CLASS**  
**JANUARY - DECEMBER 2008**  
**N = 127,954**



SOURCE: PDA/CLAIMS HISTORY  
 NOTE: DATA INCLUDE CLAIMS BY DATE OF SERVICE WITH MULTIPLE SUBMISSIONS OF SAME CLAIM ON SAME DAY DELETED.

**TABLE 7.2  
NUMBER OF CASES IN THE  
SURVEILLANCE UTILIZATION REVIEW SYSTEM  
JANUARY - DECEMBER 2008**

<u>MONTH OF REVIEW</u>	<u>NUMBER OF CARDHOLDERS RESTRICTED TO ONE PHARMACY*</u>	<u>NUMBER OF CARDHOLDERS RECEIVING THERAPEUTIC CLASS RESTRICTIONS OR LIMITATIONS*</u>	<u>NUMBER OF CARDHOLDERS WITH THERAPEUTIC CLASS RESTRICTIONS LIFTED *</u>
JANUARY	3	0	0
FEBRUARY	1	0	0
MARCH	0	0	0
APRIL	0	0	0
MAY	0	1	0
JUNE	0	0	0
JULY	0	0	0
AUGUST	0	0	0
SEPTEMBER	0	0	0
OCTOBER	1	1	0
NOVEMBER	0	0	0
DECEMBER	0	0	0
TOTAL	5	2	0

\* The number of cardholders may represent cases reviewed during previous periods.

SOURCE: PDA/SUR REPORTS



# **SECTION 8**

# **PENNSYLVANIA PATIENT ASSISTANCE PROGRAM CLEARINGHOUSE**



## **PENNSYLVANIA PATIENT ASSISTANCE PROGRAM CLEARINGHOUSE (PA PAP)**

In January 2001, the PACE Program began a referral program to assist Pennsylvanians ages 60 through 64, that facilitated contact between the Area Agency on Aging offices and the patient assistance programs offered by pharmaceutical manufacturers. That Program has evolved in recent years, and, as a result, the Program now accepts applications from individual patients, physician offices, social workers and other agencies throughout the Commonwealth. In late 2004, the name of the Program changed to reflect the Program's current objectives; it became the Pennsylvania Patient Assistance Program Clearinghouse (PA PAP). The Pharmaceutical Research and Manufacturers of America (PhRMA) represents the country's leading research-based pharmaceutical and biotechnology companies. Some of these manufacturers offer limited prescription drug assistance to persons who are not eligible for other forms of pharmaceutical coverage and who cannot afford the cost of one or more of their medications. The PA PAP coordinator provides the expertise necessary to determine the likelihood of eligibility for persons seeking assistance from manufacturers' medication programs, gathers the patient information required to complete the pharmacy assistance applications, offers guidance and assistance to the patient throughout the application and—if successful—reorder processes.

In 2006, the Clearinghouse extended assistance to all adult Pennsylvania residents who appear to meet the selected guidelines, without regard to age. Pharmaceutical manufacturers which offer pharmacy assistance programs set their income and eligibility guidelines as individual companies; they limit the products and the length of time for assistance. Typically, the gross household income should be at or below 200% of federal poverty level guidelines, but many manufacturers will consider circumstances of hardship that fall outside their usual guidelines. Household income is one factor of many criteria used by the manufacturers to determine eligibility for medication. Manufacturers require a wide range of information on company-specific forms that further complicates the application and review process. A substantial amount of coordination needs to occur between the PA PAP coordinator, the patient and the patient's physician. Since the inception of Medicare part D, some manufacturers have instituted programs to assist cardholders while they are in the part D donut hole. The requirements for the Medicare part D donut hole programs differ from the base programs offered by the manufacturers.

As a result of different settlements from the Pennsylvania Attorney General's office, the Pennsylvania Patient Assistance Program Clearinghouse has been able to offer assistance for specific medications to patients who are not eligible for the manufacturer's assistance programs. Medications currently being offered are in the antidepressant and antipsychotic therapeutic classes. Eligible patients can receive a 30-day supply of medication for which they are charged a \$6.00 copay for generic or \$9.00 copay for each brand name medication. At the end of 2008, the Clearinghouse successfully enrolled 308 patients into this program.

Despite the inherent difficulties of application, the lengthy wait for approval from the manufacturer, and the strictly limited amount of medication granted with each approval, the collaborative efforts of the local and central coordinators responded to inquiries from 11,143 patients after seven years of operation. At the end of 2008, 57% (6,354 persons) were receiving medication assistance through the PA PAP Clearinghouse, compared to 42% at the beginning of the year. The Program successfully referred persons to the PACE Program (660), PACENET Program (1377), VA benefits (5), or other insurance (1). Among the remaining inactive patients, 2 were over the income limits set by the manufacturers and were not eligible for PACE or PACENET benefits. Among the 6,354 persons receiving assistance through the PA PAP Clearinghouse, a total of 34,119 medications were obtained.

Current initiatives include continuing to process manufacturers' pharmacy assistance applications for cardholders enrolled in the adultBasic Program of the Pennsylvania Department of Insurance and to initiate new Programs that are the result of Attorney General lawsuit settlements. Two programs arising from lawsuit settlements are a \$500 benefit program for free generic medications, and a \$3000 benefit for patients recently awarded Social Security disability status but facing the 24-month waiting period for Medicare eligibility.

## APPENDIX A

### THE PACE/PACENET MEDICAL EXCEPTION PROCESS

#### **BACKGROUND:**

Act 134-96, the State Lottery Law, requires publication and dissemination of the medical exception process used by the Department of Aging for the Pharmaceutical Assistance Contract for the Elderly (PACE) and for the Pharmaceutical Assistance Contract for the Elderly Needs Enhancement Tier (PACENET). Specifically, the legislation addresses the medical exception process with regard to generic substitution when an A-rated therapeutically equivalent medication is available. The law further requires that the Department of Aging distribute the medical exception process to providers and recipients in the Program.

#### **THE MEDICAL EXCEPTION PROCESS:**

Through the online claims processing system, the PACE/PACENET Program provides prospective therapeutic review of prescriptions before the pharmacist dispenses the medication to the cardholder. The review checks for potential drug interactions, duplicative therapies, over-utilization, under-utilization and other misutilization. The Department of Aging, of course, recognizes the possibility of exceptional circumstances in connection with the application of therapeutic criteria and reimbursement edits. A medical exception will be considered by the Program when the cardholder's physician indicates the diagnosis, medical rationale, anticipated therapeutic outcomes, the expected length of exception therapy, and the last trial at alternative therapy.

Act 134-96 requires a pharmacist to dispense the A-rated, therapeutically equivalent, generic drug to the cardholder if they have a prescription for a multi-source brand product. If a cardholder seeks an exception to this mandate, a pharmacist may request a short term medical exception at the time of dispensing by calling 1-800-835-4080. The PACE Program may grant a 30-day medical exception if requested. Immediately following approval of the exception, the Program sends a follow-up letter to the cardholder's prescribing physician. This letter serves as notice that the Program granted a temporary medical exception to the mandatory substitution requirement. The letter seeks the therapeutic rationale for continuing the medical exception. The Program allows 30 days for the return of the written medical exception request from the prescriber. If the Program does not receive written documentation, the short term medical exception will expire. If the prescriber does respond to the letter and provides appropriate information, the Program may grant a longer medical exception period. The cardholder may continue to obtain the brand medication without paying the extra cost of a generic differential.

The Program may refer a request to a physician consultant or to a therapeutics committee for special review and consideration. The cardholder will receive a short term medical exception until completion of the review process.

If the Program denies a request for a medical exception to the mandatory generic requirement, the cardholder may opt to continue using the brand multi-source product and, then, pay the generic differential. If this occurs, the pharmacist must collect the copay for the brand name product plus 70 percent of the average wholesale price of the brand name product from the cardholder.

Please direct questions regarding the implementation of the medical exception process to 1-800-835-4080 or in writing to:

Mr. Thomas M. Snedden  
Director, Bureau of Pharmaceutical Assistance  
Pennsylvania Department of Aging  
555 Walnut Street, 5<sup>th</sup> Floor  
Harrisburg, PA 17101-1919

Source: Pennsylvania Bulletin, Vol. 26, No. 52, December 28, 1996; address change December 8, 1997.

**APPENDIX B**  
**AMERICAN HOSPITAL FORMULARY SERVICE (AHFS) CLASSIFICATIONS**  
**FOR THERAPEUTIC CLASSES USED IN REPORT**

The American Hospital Formulary Service (AHFS) provides a universal standard of drug classification. Listed below are the AHFS classifications corresponding to the drug classes reported in the tables and figures of this report.

<u>Name of Therapeutic Class</u>	<u>AHFS Classification</u>
Anti-infective agents	08
Quinolones	08:22
Cephalosporins	08:12.06
Antineoplastic agents	10
Autonomic drugs	12
Anticholinergics	12:08
Adrenergic agents	12:12
Blood formation and coagulation agents	20
Cardiovascular drugs	24
Cardiac drugs	24:04
ACE inhibitors	24:04.04 (Red Book)*
Cardiac glycosides	24:04.08 (Red Book)*
Antiarrhythmic agents	24:04.10 (Red Book)*
Beta blockers	24:04.16 (Red Book)*
Calcium channel blockers	24:04.20 (Red Book)*
Lipid-lowering agents	24:06
Antihypertensive agents	24:08
Vasodilating agents	24:12
Analgesics/antipyretics	28:08
NSAID's/COX-2 Inhibitors	28:08.04
Opiate agonists	28:08.08
Psychotropic drugs	28:12,16,20,24,28
Anxiolytics, sedatives, hypnotics	28:24
Antidepressants	28:16.04
Antipsychotic agents	28:16.08
Replacement solutions	40:12
Diuretics	40:28
Loop diuretics	40:28.02 (Red Book)*
Thiazide diuretics	40:28.12 (Red Book)*
Potassium-sparing diuretics	40:28.10 (Red Book)*
Antitussive, expectorant and mucolytic agents	48
Eye, ear, nose and throat preparations	52
Gastrointestinal agents	56
Miscellaneous gastrointestinal drugs	56:40
H <sub>2</sub> -receptor antagonists (H <sub>2</sub> RA's)	56:24 (Red Book)*
Hormones and synthetic substances	68
Adrenals and comb.	68:04
Estrogens	68:16
Antidiabetic agents (including insulin)	68:20
Thyroid and antithyroid agents	68:36
Drugs for Osteoporosis	multiple classes (68:16.12, 68:24, 92:01)
Theophylline and related smooth muscle relaxants	86:16

\*The Red Book therapeutic classification system expands upon AHFS for these categories.

SOURCE: AHFS Drug Information 2008 and Red Book Database Services

**APPENDIX C**

**PACE**

**PROSPECTIVE DRUG**

**UTILIZATION REVIEW**

**CRITERIA**

**Updated 7/16/09**

### Angiotensin Converting Enzyme Inhibitors - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Maximum Initial Dose		Maximum Daily Dose		Duplicate Therapy	
	MG Per Day	Date Begun	MG Per Day	Date Begun	Class	Date Begun
Benazepril (Lotensin)	No Criteria	---	Less than or equal to 80 mg/day	05/15/99	Concurrent with other ACE Inhibitors	05/15/99
Captopril (Capoten)	No Criteria	---	Less than or equal to 450 mg/day	05/15/99	Concurrent with other ACE Inhibitors	05/15/99
Enalapril (Vasotec)	No Criteria	---	Less than or equal to 40 mg/day	10/18/95	Concurrent with other ACE Inhibitors	10/22/96
Fosinopril (Monopril)	No Criteria	---	Less than or equal to 80 mg/day	10/18/95	Concurrent with other ACE Inhibitors	10/22/96
Lisinopril (Prinivil)	No Criteria	---	Less than or equal to 40 mg/day	10/18/95	Concurrent with other ACE Inhibitors	10/22/96
Quinapril (Accupril)	No Criteria	---	Less than or equal to 80 mg/day	10/18/95	Concurrent with other ACE Inhibitors	10/22/96
Ramipril (Altace)	No Criteria	---	Less than or equal to 20 mg/day	10/18/95	Concurrent with other ACE Inhibitors	10/22/96
Moexipril (Univasc)	No Criteria	---	Less than or equal to 30 mg/day	01/12/98	Concurrent with other ACE Inhibitors	01/12/98
Perindopril (Aceon)	No Criteria	---	Less than or equal to 16 mg/day	05/13/02	Concurrent with other ACE Inhibitors	05/13/02

### Angiotensin II Receptor Antagonists - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Maximum Initial Dose		Maximum Daily Dose		Duplicate Therapy	
	MG Per Day	Date Begun	MG Per Day	Date Begun	Class	Date Begun
Valsartan (Diovan)	No Criteria	---	Less than or equal to 320 mg/day	08/18/97	No Criteria	---
Losartan (Cozaar)	No Criteria	---	Less than or equal to 100 mg/day	04/22/98	No Criteria	---
Candesartan (Atacand)	No Criteria	---	Less than or equal to 32 mg/day	05/19/99	No Criteria	---
Irbesartan (Avapro)	No Criteria	---	Less than or equal to 300 mg/day	05/19/99	No Criteria	---
Eprosartan (Teveten)	No Criteria	---	Less than or equal to 800 mg/day	10/08/01	No Criteria	---
Telmisartan (Micardis)	No Criteria	---	Less than or equal to 80 mg/day	10/08/01	No Criteria	---
Olmesartan (Benicar)	No Criteria	---	Less than or equal to 40 mg/day	08/19/03	No Criteria	---

### Beta Blockers - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Maximum Initial Dose		Maximum Daily Dose		Duplicate Therapy	
	MG Per Day	Date Begun	MG Per Day	Date Begun	Class	Date Begun
Acebutolol (Sectral)	No Criteria	---	Less than or equal to 1200 mg/day	05/15/99	Concurrent with other Beta Blockers	12/09/95
Atenolol (Tenormin)	No Criteria	---	Less than or equal to 200 mg/day	10/18/95	Concurrent with other Beta Blockers	10/18/95
Betaxolol (Kerlone)	No Criteria	---	Less than or equal to 20 mg/day	10/18/95	Concurrent with other Beta Blockers	10/18/95
Carteolol (Cartrol)	No Criteria	---	Less than or equal to 10 mg/day	10/18/95	Concurrent with other Beta Blockers	10/18/95
Labetalol (Normodyne)	No Criteria	---	Less than or equal to 2400 mg/day	10/18/95	Concurrent with other Beta Blockers	10/18/95
Metoprolol (Lopressor)	No Criteria	---	Less than or equal to 450 mg/day	10/18/95	Concurrent with other Beta Blockers	10/18/95
Metoprolol (Toprol XL)	No Criteria	---	Less than or equal to 400 mg/day	10/18/95	Concurrent with other Beta Blockers	10/18/95
Nadolol (Corgard)	No Criteria	---	Less than or equal to 320 mg/day	10/18/95	Concurrent with other Beta Blockers	10/18/95
Penbutolol (Levatol)	No Criteria	---	Less than or equal to 80 mg/day	10/18/95	Concurrent with other Beta Blockers	10/18/95
Pindolol (Visken)	No Criteria	---	Less than or equal to 60 mg/day	10/18/95	Concurrent with other Beta Blockers	10/18/95
Propranolol (Inderal)	No Criteria	---	Less than or equal to 640 mg/day	10/18/95	Concurrent with other Beta Blockers	10/18/95
Propranolol LA (Inderal LA)	No Criteria	---	Less than or equal to 640 mg/day	10/18/95	Concurrent with other Beta Blockers	10/18/95
Propranolol extended release (Innopran XL)	No Criteria	---	Less than or equal to 120 mg/day	03/29/04	Concurrent with other other Beta Blockers	03/29/04
Sotalol (Betapace)	No Criteria	---	Less than or equal to 320 mg/day	10/18/95	Concurrent with other Beta Blockers	10/18/95
Timolol (Blocadren)	No Criteria	---	Less than or equal to 60 mg/day	10/18/95	Concurrent with other Beta Blockers	10/18/95
Bisoprolol (Zebeta)	No Criteria	---	Less than or equal to 20 mg/day	10/18/95	Concurrent with other Beta Blockers	10/18/95
Carvedilol (Coreg)	No Criteria	---	Less than or equal to 100 mg/day	08/18/97	Concurrent with other Beta Blockers	08/18/97

### Cardiac Glycosides - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Maximum Initial Dose		Maximum Daily Dose		Duplicate Therapy	
	MG Per Day	Date Begun	MG Per Day	Date Begun	Class	Date Begun
Digoxin (Lanoxin)	No Criteria	---	Less than or equal to .375 mg/day	10/18/95	No Criteria	---

**Calcium Channel Blockers - Criteria Elements and Implementation Dates**

Drug Name Generic (Brand)	Maximum Initial Dose		Maximum Daily Dose		Duplicate Therapy	
	MG Per Day	Date Begun	MG Per Day	Date Begun	Class	Date Begun
Amlodipine (Norvasc)	No Criteria	---	Less than or equal to 10 mg/day	12/09/95	Concurrent with Other Calcium Channel Blockers	12/09/95
Bepridil (Vascor)	No Criteria	---	Less than or equal to 400 mg/day	10/18/95	Concurrent with Other Calcium Channel Blockers	10/18/95
Diltiazem (Cardizem)	No Criteria	---	Less than or equal to 360 mg/day	10/18/95	Concurrent with Other Calcium Channel Blockers	10/18/95
Diltiazem CD (Cardizem CD)	No Criteria	---	Less than or equal to 540 mg/day	05/15/99	Concurrent with Other Calcium Channel Blockers	10/15/95
Felodipine (Plendil)	No Criteria	---	Less than or equal to 20 mg/day	10/18/95	Concurrent with Other Calcium Channel Blockers	10/18/95
Isradipine (DynaCirc)	No Criteria	---	Less than or equal to 20 mg/day	10/18/95	Concurrent with Other Calcium Channel Blockers	10/18/95
Nicardipine (Cardene)	No Criteria	---	Less than or equal to 120 mg/day	10/18/95	Concurrent with Other Calcium Channel Blockers	10/18/95
Nifedipine (Procardia)	No Criteria	---	Less than or equal to 120 mg/day	10/18/95	Concurrent with Other Calcium Channel Blockers	10/18/95
Verapamil (Calan, Isoptin)	No Criteria	---	Less than or equal to 480 mg/day	10/18/95	Concurrent with Other Calcium Channel Blockers	10/18/95
Nisoldipine (Sular)	No Criteria	---	Less than or equal to 60 mg/day	08/18/97	Concurrent with Other Calcium Channel Blockers	08/18/97
Amlodipine & Atorvastatin (Caduet)	No Criteria	---	Less than or equal to 80 mg/day (based on Atorvastatin)	02/14/05	Concurrent with Other Calcium Channel Blockers	02/14/05

### Lipid Lowering Agents - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Max. Initial Dose		Maximum Daily Dose		Duplicate Therapy		Duration of Therapy	
	MG per Day	Date Begun	MG Per Day	Date Begun	Class	Date Begun	Period	Date Begun
Fluvastatin (Lescol)	No Criteria	---	Less than or equal to 80 mg/day	04/15/97	Concurrent HMG-Co A Reductase Inhibitors	04/15/97	No Criteria	---
Simvastatin (Zocor)	No Criteria	---	Less than or equal to 80 mg/day	05/15/99	Concurrent HMG-Co A Reductase Inhibitors	04/15/97	No Criteria	---
Lovastatin (Mevacor)	No Criteria	---	Less than or equal to 80 mg/day	04/15/97	Concurrent HMG-Co A Reductase Inhibitors	04/15/97	No Criteria	---
Pravastatin (Pravachol)	No Criteria	---	Less than or equal to 80 mg/day	04/15/97	Concurrent HMG-Co A Reductase Inhibitors	04/15/97	No Criteria	---
Atorvastatin (Lipitor)	No Criteria	---	Less than or equal to 80 mg/day	12/04/97	Concurrent HMG-Co A Reductase Inhibitors	12/03/97	No Criteria	---
Ezetimibe (Zetia)	No Criteria	---	Less than or equal to 10 mg/day	03/29/04	No Criteria	---	No Criteria	---
Rosuvastatin (Crestor)	Less than or equal to 5 mg	02/14/05	Less than or equal to 40 mg/day	02/14/05	Concurrent HMG-Co A Reductase Inhibitors	02/14/05	No Criteria	---

### Antiplatelet Agents - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Max. Initial Dose		Maximum Daily Dose		Duplicate Therapy		Duration of Therapy	
	MG per Day	Date Begun	MG Per Day	Date Begun	Class	Date Begun	Period	Date Begun
Cilostazol (Pletal)	No Criteria	---	Less than or equal to 200 mg/day	04/10/00	No Criteria	---	No Criteria	---
Ticlopidine (Ticlid)	No Criteria	---	Less than or equal to 500 mg/day	05/15/99	No Criteria	---	No Criteria	---
Clopidrogel bisulfate (Plavix)	No Criteria	---	Less than or equal to 75 mg/day	10/18/01	No Criteria	---	No Criteria	---
Aspirin/ dipyridamole (Aggrenox)	No Criteria	---	Less than or equal to 50 mg/400 mg/day	10/18/01	No Criteria	---	No Criteria	---

### Oral Antihyperglycemic Agents - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Max. Initial Dose		Maximum Daily Dose		Duration of Therapy		Duplicate Therapy	
	MG per Day	Date Begun	MG Per Day	Date Begun	Class	Date Begun	Period	Date Begun
Rosiglitazone (Avandia)	No Criteria	---	Less than or equal to 8 mg/day	04/10/00	No Criteria	---	No Criteria	---
Metformin (Glucophage)	No Criteria	---	Less than or equal to 2550 mg/day	04/10/00	No Criteria	---	No Criteria	---
Acarbose (Precose)	No Criteria	---	Less than or equal to 300 mg/day	04/10/00	No Criteria	---	No Criteria	---
Repaglinide (Prandin)	No Criteria	---	Less than or equal to 16 mg/day	04/10/00	No Criteria	---	No Criteria	---
Miglitol (Glyset)	No Criteria	---	Less than or equal to 300 mg/day	04/10/00	No Criteria	---	No Criteria	---
Pioglitazone (Actos)	No Criteria	---	Less than or equal to 45 mg/day	10/08/01	No Criteria	---	No Criteria	---
Nateglinide (Starlix)	No Criteria	---	Less than or equal to 360 mg/day	10/08/01	No Criteria	---	No Criteria	---
Glyburide/ metformin (Glucovance)	No Criteria	---	Less than or equal to 20 mg/2000 mg/day	10/08/01	No Criteria	---	No Criteria	---
Pioglitazone/ glimepride (Duetact)	No Criteria	---	Less than or equal to 30 mg/day	06/02/09	No Criteria	---	No Criteria	---

## Non-Steroidal Anti-Inflammatory Agents (NSAIDs) - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Maximum Daily Dose		Maximum Duration		Duplicate Therapy	
	MG Per Day	Date Begun	Period	Date Begun	Class	Date Begun
Aspirin (Legend) (Easprin, Zorprin)	Less than or equal to 6000 mg/day	08/06/94	No Criteria	---	Concurrent NSAIDS	08/16/92
Choline Magnesium Sulfate (Trilisate)	Less than or equal to 3000 mg/day	10/28/94	No Criteria	---	Concurrent NSAIDS	10/28/94
Diclofenac (Voltaren) (Normal Release)	Less than or equal to 225 mg/day	03/25/95	No Criteria	---	Concurrent NSAIDS	08/16/92
Diclofenac (Cataflam) (Quick Release)	Less than or equal to 200 mg/day	10/28/94	No Criteria	---	Concurrent NSAIDS	10/28/94
Diflunisal (Dolobid)	Less than or equal to 1500 mg/day	07/05/93	No Criteria	---	Concurrent NSAIDS	08/16/92
Etodolac (Lodine)	Less than or equal to 1200 mg/day	07/05/93	No Criteria	---	Concurrent NSAIDS	08/16/92
Fenoprofen (Nalfon)	Less than or equal to 3200 mg/day	07/05/93	No Criteria	---	Concurrent NSAIDS	08/16/92
Flurbiprofen (Ansaid)	Less than or equal to 300 mg/day	07/05/93	No Criteria	---	Concurrent NSAIDS	08/16/92
Ibuprofen (Motrin)	Less than or equal to 3200 mg/day	07/05/93	No Criteria	---	Concurrent NSAIDS	08/16/92
Indomethacin (Indocin)	Less than or equal to 200 mg/day	07/05/93	No Criteria	---	Concurrent NSAIDS	08/16/92
Indomethacin SR (Indocin SR)	Less than or equal to 200 mg/day	07/05/93	No Criteria	---	Concurrent NSAIDS	08/16/92
Ketoprofen (Orudis, Oruvail)	Less than or equal to 300 mg/day	07/05/93	No Criteria	---	Concurrent NSAIDS	08/16/92
Ketorolac (Toradol) I.M. Therapy	Less than or equal to 60 mg/day	07/05/93	5 days/ 30 days	05/15/95	Concurrent NSAIDS	08/16/92
Oral Therapy	Less than or equal to 40 mg/day	07/05/93	5 days/ 30 days	05/15/95	Concurrent NSAIDS	08/16/92
Meclofenamate (Meclomen)	Less than or equal to 400 mg/day	07/05/93	No Criteria	---	Concurrent NSAIDS	08/16/92
Mefenamic Acid (Ponstel)	Less than or equal to 1250 mg/day	07/05/93	No Criteria	---	Concurrent NSAIDS	08/16/92
Nabumetone (Relafen)	Less than or equal to 2000 mg/day	07/05/93	No Criteria	---	Concurrent NSAIDS	08/16/92
Naproxen (Naprosyn)	Less than or equal to 1500 mg/day	07/05/93	No Criteria	---	Concurrent NSAIDS	08/16/92
Naproxen Sodium (Anaprox)	Less than or equal to 1650 mg/day	07/05/93	No Criteria	---	Concurrent NSAIDS	08/16/92
Oxaprozin (Daypro)	Less than or equal to 1800 mg/day	07/05/93	No Criteria	---	Concurrent NSAIDS	08/16/92
Piroxicam (Feldene)	Less than or equal to 40 mg/day	07/05/93	No Criteria	---	Concurrent NSAIDS	08/16/92
Salsalate (Disalcid)	Less than or equal to 3000 mg/day	10/28/94	No Criteria	---	Concurrent NSAIDS	10/28/94
Sulindac (Clinoril)	Less than or equal to 400 mg/day	07/05/93	No Criteria	---	Concurrent NSAIDS	08/16/92
Tolmetin (Tolectin)	Less than or equal to 2000 mg/day	07/05/93	No Criteria	---	Concurrent NSAIDS	08/16/92
Meloxicam (Mobic)	Less than or equal to 15 mg/day	05/15/02	No Criteria	---	Concurrent NSAIDS	05/13/02
Diclofenac Epolamine (Flector Patch)		05/15/02	No Criteria	---	Concurrent NSAIDS	03/10/09

### COX-2 Inhibitors - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Maximum Daily Dose		Maximum Duration		Duplicate Therapy	
	MG Per Day	Date Begun	Period	Date Begun	Class	Date Begun
Celecoxib (Celebrex)	Less than or equal to 400 mg/day	04/10/00	No Criteria	---	Concurrent NSAIDS	04/10/00
Valdecoxib (Bextra)	Less than or equal to 10mg/day	08/19/03	No Criteria	---	Concurrent NSAIDS	08/19/03

### Centrally Acting Analgesics - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Maximum Daily Dose		Maximum Duration		Duplicate Therapy	
	MG Per Day	Date Begun	Period	Date Begun	Class	Date Begun
Tramadol (Ultram)	300 mg daily if over 75 years of age 400 mg daily if under 75 years of age	12/04/97	No Criteria	---	No Criteria	---

### Combination Analgesics - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Maximum Daily Dose		Maximum Duration		Duplicate Therapy	
	MG Per Day	Date Begun	Period	Date Begun	Class	Date Begun
Hydrocodone and Ibuprofen (Vicoprofen)	Less than or equal to 37.5 mg/day	04/22/98	10 days/ 30 days	04/22/98	No Criteria	---

### Opiate Agonists - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Maximum Daily Dose		Duration of Therapy		Duplicate Therapy	
	MG Per Day	Date Begun	Period	Date Begun	Class	Date Begun
Tramadol/acetaminophen (Ultracet)	Less than or equal to 300 mg/day	08/23/03	5 days out of every 30	08/20/03	No Criteria	---

### Agents to Treat Benign Prostatic Hyperplasia - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Maximum Daily Dose		Maximum Initial Dose		Gender Edit	
	MG Per Day	Date Begun	MG Per Day	Date Begun	Male/ Female	Date Begun
Tamsulosin HCl (Flomax)	No Criteria	-	No Criteria	-	Male Only	01/04/07
Dutasteride (Avodart)	No Criteria	-	No Criteria	-	Male Only	02/22/07
Finasteride (Proscar)	No Criteria	-	No Criteria	-	Male Only	02/22/07
Alfuzosin (Uroxatral)	No Criteria	-	No Criteria	-	Male Only	02/22/07

### Inhaled Corticosteroids - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Maximum Daily Dose		Maximum Initial Dose		Gender Edit	
	MG Per Day	Date Begun	MG Per Day	Date Begun	Male/ Female	Date Begun
Budesonide (Pulmicort-Respules)	Less than or equal to 1 mg/day	06/03/09	No Criteria	-	No Criteria	-

**Other Analgesics - Criteria Elements and Implementation Dates**

Drug Name Generic (Brand)	Maximum Daily Dose		Plan Protocol		Initial Quantity		Maximum Duration		Maximum Quantity	
	MG Per Day	Date Begun	Drug	Date Begun	Quantity	Date Begun	Period	Date Begun	Quantity	Date Begun
Propoxyphene HCl (Darvon)	Less than or equal to 390 mg/day	05/13/02	No Criteria	---	No Criteria	---	No Criteria	---	No Criteria	---
Propoxyphene napsylate (Darvocet)	Less than or equal to 600 mg/day	05/13/02	No Criteria	---	No Criteria	---	No Criteria	---	No Criteria	---
Acetaminophen/Codeine Combinations	Less than or equal to 4000 mg/day	05/13/02	No Criteria	---	No Criteria	---	180 days out of 210	10/18/04	No Criteria	---
Morphine Sulfate (Kadian, Various)	No Criteria	No Criteria	Must show prior conversion with opiate before reimbursement of 200 mg extended release tab.	10/18/04	No Criteria	No Criteria	No Criteria	10/18/04	No Criteria	---
Fentanyl Citrate (Actiq)	No Criteria	No Criteria	No Criteria	10/18/04	6 units	10/18/04	No Criteria	---	48 units in a 30 day period	10/18/04
Fentanyl Transdermal (Duragesic)	No Criteria	No Criteria	Patches greater than 50 mcg must show prior conversion with opiate.	10/27/04	No Criteria	No Criteria	180 days out of 210	10/18/04	10 patches in a 30 day period. Dose increase will permit an additional 10 patches.	10/18/04
Oxycontin	Less than or equal to 320 mg	03/29/04	No Criteria	No Criteria	No Criteria	No Criteria	180 days out of 210	10/18/04	No Criteria	No Criteria

**Calcium Phosphate Binder - Criteria Elements and Implementation Dates**

Drug Name Generic (Brand)	Maximum Daily Dose		Plan Protocol		Initial Quantity		Maximum Duration		Maximum Quantity	
	MG Per Day	Date Begun	Drug	Date Begun	Quantity	Date Begun	Period	Date Begun	Quantity	Date Begun
Sevelamer Carbonate (Renvela)	Less than or equal to 7200 mg/day	04/21/08	No Criteria	No Criteria	No Criteria	No Criteria	---	---	No Criteria	No Criteria

### Histamine H<sub>2</sub> Receptor Antagonists - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Maximum Daily Dose		Duration of Therapy		Duplicate Therapy	
	MG Per Day	Date Begun	Period	Date Begun	Class	Date Begun
Cimetidine (Tagamet) Maintenance Therapy	Less than or equal to 1600 mg/day	08/16/92	Unlimited	10/08/04	Proton Pump Inhibitors and Concurrent H2.	08/16/92
Famotidine (Pepcid) Maintenance Therapy	Less than or equal to 40 mg/day	08/16/92	Unlimited	10/08/04	Proton Pump Inhibitors and Concurrent H2.	08/16/92
Nizatidine (Axid) Maintenance Therapy	Less than or equal to 300 mg/day	08/16/92	Unlimited	10/08/04	Proton Pump Inhibitors and Concurrent H2.	08/16/92
Ranitidine (Zantac) Maintenance Therapy	Less than or equal to 300 mg/day	08/16/92	Unlimited	10/08/04	Proton Pump Inhibitors and Concurrent H2.	08/16/92

### Miscellaneous Gastrointestinal Agents - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Maximum Daily Dose		Duration of Therapy		Duplicate Therapy	
	MG Per Day	Date Begun	Period	Date Begun	Class	Date Begun
Metoclopramide (Reglan)	Less than or equal to 60 mg/day	10/28/94	No Criteria	---	No Criteria	---
Misoprostol (Cytotec)	Less than or equal to 800 mcg/day	07/05/93	No Criteria	---	No Criteria	---
Omeprazole (Prilosec)	Less than or equal to 40 mg/day	07/05/93	No Criteria	---	Proton Pump Inhibitors/ H2 Receptor Antagonists	08/28/95
Sucralfate (Carafate)	Less than or equal to 4000 mg/day	07/05/93	No Criteria	---	No Criteria	---
Lansoprazole (Prevacid)	Less than or equal to 30 mg/day	08/28/95	No Criteria	---	Proton Pump Inhibitors/ H2 Receptor Antagonists	08/28/95
Pantoprazole (Protonix)	Less than or equal to 40 mg/day	10/08/01	No Criteria	---	Proton Pump Inhibitors/ H2 Receptor Antagonists	10/08/01
Esomeprazole (Nexium)	Less than or equal to 40 mg/day	10/08/01	No Criteria	---	Proton Pump Inhibitors/ H2 Receptor Antagonists	10/08/01
Rabeprazole (Aciphex)	Less than or equal to 20 mg/day	10/08/01	No Criteria	---	Proton Pump Inhibitors/ H2 Receptor Antagonists	10/08/01
Naproxen and Lansoprazole (Prevacid NapraPAC)	1000 mg (based on Naproxen)	02/14/05	No Criteria	---	No Criteria	---

### Agent to Treat Irritable Bowel - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Maximum Daily Dose		Maximum Initial Dose		Gender Edit	
	MG Per Day	Date Begun	mg/day	Date Begun	Male/Female	Date Begun
Alosetron (Lotronex)	No Criteria	No Criteria	No Criteria	No Criteria	Female only	10/08/04

## Antipsychotics - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Maximum Initial Dose		Maximum Daily Dose		Duplicate Therapy	
	MG Per Day	Date Begun	MG Per Day	Date Begun	Class	Date Begun
Chlorpromazine (Thorazine)	Less than or equal to 50 mg/day	01/16/95	Less than or equal to 200 mg/day	01/16/95	No Criteria	---
Clozapine (Clozaril)	Less than or equal to 25 mg/day	01/16/95	Less than or equal to 100 mg/day	08/18/97	No Criteria	---
Fluphenazine (Prolixin)	Less than or equal to 1 mg/day	01/16/95	Less than or equal to 10 mg/day	01/16/95	No Criteria	---
Haloperidol (Haldol)	Less than or equal to 1 mg/day	01/16/95	Less than or equal to 10 mg/day	01/16/95	No Criteria	---
Loxapine (Loxitane)	Less than or equal to 20 mg/day	01/16/95	Less than or equal to 100 mg/day	01/16/95	No Criteria	---
Mesoridazine (Serentil)	Less than or equal to 30 mg/day	01/16/95	Less than or equal to 125 mg/day	01/16/95	No Criteria	---
Perphenazine (Trilafon)	Less than or equal to 8 mg/day	01/16/95	Less than or equal to 24 mg/day	01/16/95	No Criteria	---
Risperidone (Risperdal & Risperdal-M)	Less than or equal to 0.5 mg/day	01/16/95	Less than or equal to 6 mg/day	01/16/95	No Criteria	---
Thioridazine (Mellaril)	Less than or equal to 50 mg/day	01/16/95	Less than or equal to 200 mg/day	01/16/95	No Criteria	---
Thiothixene (Navane)	Less than or equal to 4 mg/day	01/16/95	Less than or equal to 20 mg/day	01/16/95	No Criteria	---
Trifluoperazine (Stelazine)	Less than or equal to 2 mg/day	01/16/95	Less than or equal to 10 mg/day	01/16/95	No Criteria	---
Quetiapine (Seroquel)	Less than or equal to 50 mg/day	04/22/98	Less than or equal to 400 mg/day	04/22/98	No Criteria	---
Olanzapine (Zyprexa)	Less than or equal to 2.5 mg/day	08/18/97	Less than or equal to 10 mg/day	08/18/97	No Criteria	---
Ziprasidone (Geodon)	No Criteria	---	160 mg per day Oral 40 mg/day IM	08/16/03	No Criteria	---
Aripiprazole (Abilify)	No Criteria	---	Less than or equal to 15 mg/day	08/16/03	No Criteria	---
Paliperidone (Invega)	No Criteria	---	Less than or equal to 12 mg/day	06/02/09	No Criteria	---

## Antidepressants - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Maximum Initial Dose		Maximum Daily Dose		Duplicate Therapy	
	MG Per Day	Date Begun	MG Per Day	Date Begun	Class	Date Begun
Amitriptyline (Elavil)	Less than or equal to 75 mg/day	01/16/95	Less than or equal to 250 mg/day	01/16/95	No Criteria	---
Amoxapine (Asendin)	Less than or equal to 75 mg/day	01/16/95	Less than or equal to 300 mg/day	01/16/95	No Criteria	---
Bupropion (Wellbutrin)	Less than or equal to 200 mg/day	01/16/95	Less than or equal to 450 mg/day	01/16/95	No Criteria	---
Citalopram (Celexa)	Less than or equal to 20 mg/day	05/15/99	Less than or equal to 40 mg/day	05/15/99	No Criteria	---
Clomipramine (Anafranil)	Less than or equal to 50 mg/day	01/16/95	Less than or equal to 250 mg/day	01/16/95	No Criteria	---
Desipramine (Norpramin)	Less than or equal to 75 mg/day	01/16/95	Less than or equal to 250 mg/day	01/16/95	No Criteria	---
Doxepin (Sinequan)	Less than or equal to 75 mg/day	01/16/95	Less than or equal to 250 mg/day	01/16/95	No Criteria	---
Fluoxetine (Prozac)	Less than or equal to 20 mg/day	01/16/95	Less than or equal to 60 mg/day	01/16/95	No Criteria	---
Imipramine (Tofranil)	Less than or equal to 75 mg/day	01/16/95	Less than or equal to 250 mg/day	01/16/95	No Criteria	---
Isocarboxazid (Marplan)	Less than or equal to 30 mg/day	01/16/95	Less than or equal to 50 mg/day	01/16/95	No Criteria	---
Maprotiline (Ludiomil)	Less than or equal to 50 mg/day	01/16/95	Less than or equal to 200 mg/day	01/16/95	No Criteria	---
Mirtazapine (Remeron)	Less than or equal to 15 mg/day	8/18/97	Less than or equal to 45 mg/day	08/18/97	No Criteria	---
Nefazodone (Serzone)	No Criteria	---	Less than or equal to 600 mg/day	08/28/95	No Criteria	---
Nortriptyline (Pamelor)	Less than or equal to 50 mg/day	01/16/95	Less than or equal to 150 mg/day	01/16/95	No Criteria	---
Paroxetine (Paxil)	Less than or equal to 20 mg/day	01/16/95	Less than or equal to 40 mg/day	01/16/95	No Criteria	---
Phenelzine (Nardil)	Less than or equal to 45 mg/day	01/16/95	Less than or equal to 90 mg/day	01/16/95	No Criteria	---
Protriptyline (Vivactil)	Less than or equal to 15 mg/day	01/16/95	Less than or equal to 40 mg/day	01/16/95	No Criteria	---
Sertraline (Zoloft)	Less than or equal to 50 mg/day	01/16/95	Less than or equal to 200 mg/day	01/16/95	No Criteria	---
Tranlycypromine (Parnate)	Less than or equal to 30 mg/day	01/16/95	Less than or equal to 60 mg/day	01/16/95	No Criteria	---
Trazodone (Desyrel)	Less than or equal to 150 mg/day	01/16/95	Less than or equal to 400 mg/day	01/16/95	No Criteria	---
Trimipramine (Surmontil)	Less than or equal to 75 mg/day	01/16/95	Less than or equal to 250 mg/day	01/16/95	No Criteria	---
Venlafaxine (Effexor)	Less than or equal to 75 mg/day	01/16/95	Less than or equal to 225 mg/day	01/16/95	No Criteria	---
Paroxetine (Paxil CR)	Less than or equal to 12.5 mg/day	08/16/03	Less than or equal to 50 mg/day	08/16/03	No Criteria	---
Escitalopram (Lexapro)	Less than or equal to 10 mg/day	08/16/03	Less than or equal to 20 mg/day	08/16/03	No Criteria	---
Bupropion (Wellbutrin XR)	Less than or equal to 300 mg/day	02/06/97	Less than or equal to 400 mg/day	02/06/97	No Criteria	---
Fluoxetine (Prozac weekly)	Prior to Prozac weekly being approved, 90 days of therapy with Prozac daily is required					
Duloxetine (Cymbalta)	No Criteria	---	Less than or equal to 60 mg/day	02/11/08	No Criteria	---

**Benzodiazepines/Miscellaneous Sedative/Hypnotics - Criteria Elements and Implementation Dates**

Drug Name Generic (Brand)	Maximum Initial Dose		Maximum Daily Dose		Duration of Therapy		Duplicate Therapy	
	MG Per Day	Date Begun	MG Per Day	Date Begun	Period	Date Begun	Class	Date Begun
Estazolam (Prosom)	Less than or equal to 1 mg/day	01/16/95	Less than or equal to 2 mg/day	01/16/95	No Criteria	---	Concurrent Benzodiazepines and Misc Sed/Hypnotics	03/13/00
Flurazepam (Dalmane)	Less than or equal to 15 mg/day	01/16/95	Less than or equal to 30 mg/day	01/16/95	No Criteria	---	Concurrent Benzodiazepines and Misc Sed/Hypnotics	03/13/00
Quazepam (Doral)	Less than or equal to 15 mg/day	01/16/95	Less than or equal to 15 mg/day	01/16/95	No Criteria	---	Concurrent Benzodiazepines and Misc Sed/Hypnotics	03/13/00
Temazepam (Restoril)	Less than or equal to 7.5 mg/day	03/01/94	Less than or equal to 15 mg/day	03/01/94	240 mg/6 mos	03/01/94	Concurrent Benzodiazepines and Misc Sed/Hypnotics	03/13/00
Triazolam (Halcion)	Less than or equal to .125 mg/day	01/31/92	Less than or equal to .25 mg/day	01/31/92	4 mg/6 mos	01/31/92	Concurrent Benzodiazepines and Misc Sed/Hypnotics	03/13/00
Zolpidem (Ambien)	Less than or equal to 5 mg/day	01/16/95	Less than or equal to 10 mg/day	01/16/95	No Criteria	---	Concurrent Benzodiazepines and Misc Sed/Hypnotics	10/25/05
Zaleplon (Sonata)	No Criteria	---	Less than or equal to 10 mg/day	02/19/07	No Criteria	---	Concurrent Benzodiazepines and Misc Sed/Hypnotics	10/25/05
Zolpidem (Ambien CR)	No Criteria	---	Less than or equal to 6.25 mg/day	11/01/05	No Criteria	---	Concurrent Benzodiazepines and Misc Sed/Hypnotics	10/25/05
Ramelteon (Rozerem)	No Criteria	---	Less than or equal to 8 mg/day	02/19/07	No Criteria	---	Concurrent Benzodiazepines and Misc Sed/Hypnotics	10/25/05
Eszopiclone (Lunesta)	No Criteria	---	Less than or equal to 2 mg/day	02/19/07	No Criteria	---	Concurrent Benzodiazepines and Misc Sed/Hypnotics	10/25/05

**Obsessive-Compulsive Disorder Agent - Criteria Elements and Implementation Dates**

Drug Name Generic (Brand)	Maximum Initial Dose		Maximum Daily Dose		Duration of Therapy		Duplicate Therapy	
	MG Per Day	Date Begun	MG Per Day	Date Begun	Period	Date Begun	Class	Date Begun
Fluvoxamine (Luvox)	Less than or equal to 50 mg/day	08/28/95	Less than or equal to 300 mg/day	08/28/95	No Criteria	---	No Criteria	---

**Benzodiazepines - Criteria Elements and Implementation Dates**

Drug Name Generic (Brand)	Maximum Initial Dose		Maximum Daily Dose		Duration of Therapy		Duplicate Therapy	
	MG Per Day	Date Begun	MG Per Day	Date Begun	Period	Date Begun	Class	Date Begun
Alprazolam (Xanax)	Less than or equal to .75 mg/day	01/16/95	Less than or equal to 3 mg/day	01/16/95	No Criteria	---	Concurrent	03/13/00
Alprazolam (Xanax XR)	Less than or equal to 0.5 mg/day	03/29/04	Less than or equal to 6 mg/day	03/29/04	Only for Panic Disorder			
Chlordiazepoxide (Librium)	Less than or equal to 20 mg/day	01/16/95	Less than or equal to 100 mg/day	01/16/95	No Criteria	---	Concurrent	03/13/00
Clonazepam (Klonopin)	Less than or equal to 1 mg/day	01/16/95	Less than or equal to 4 mg/day	01/16/95	No Criteria	---	Concurrent	03/13/00
Clorazepate (Tranxene)	Less than or equal to 15 mg/day	01/16/95	Less than or equal to 60 mg/day	01/16/95	No Criteria	---	Concurrent	03/13/00
Diazepam (Valium)	Less than or equal to 5 mg/day	01/16/95	Less than or equal to 40 mg/day	01/16/95	No Criteria	---	Concurrent	03/13/00
Halazepam (Paxipam)	Less than or equal to 40 mg/day	01/16/95	Less than or equal to 40 mg/day	01/16/95	No Criteria	---	Concurrent	03/13/00
Lorazepam (Ativan)	Less than or equal to 2 mg/day	01/16/95	Less than or equal to 6 mg/day	01/16/95	No Criteria	---	Concurrent	03/13/00
Oxazepam (Serax)	Less than or equal to 30 mg/day	01/16/95	Less than or equal to 60 mg/day	01/16/95	No Criteria	---	Concurrent	03/13/00

### Miscellaneous Sedative/Hypnotics - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Maximum Initial Dose		Maximum Daily Dose		Duration of Therapy		Duplicate Therapy	
	MG Per Day	Date Begun	MG Per Day	Date Begun	Period	Date Begun	Class	Date Begun
Amobarbital (Amytal)	No Criteria	---	Less than or equal to 200 mg/day	01/19/98	14 days out of every 180	04/20/98	No Criteria	---
Butobarbital (Butisol)	No Criteria	---	Less than or equal to 90 mg/day	11/26/97	14 days out of every 180	04/20/98	No Criteria	---
Chloral Hydrate	No Criteria	---	Less than or equal to 1 gm/day	11/26/97	14 days out of every 180	04/20/98	No Criteria	---
Ethchlorvynol (Placidyl)	No Criteria	---	Less than or equal to 500 mg/day	11/26/97	14 days out of every 180	06/01/98	No Criteria	---
Secobarbital (Seconal)	No Criteria	---	Less than or equal to 100 mg/day	11/26/97	14 days out of every 180	06/01/98	No Criteria	---
Amobarbital/Secobarbital (Tuinal)	No Criteria	---	Less than or equal to 50 mg/day	11/26/97	14 days out of every 180	04/20/98	No Criteria	---

### Anti-Obesity Agents - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Maximum Initial Dose		Maximum Daily Dose		Duration of Therapy		Duplicate Therapy	
	MG Per Day	Date Begun	MG Per Day	Date Begun	Period	Date Begun	Class	Date Begun
Sibutramine (Meridia)	No Criteria	---	Less than or equal to 30 mg/day	07/26/99	60 days out of every 90	08/09/99	No Criteria	---
Phentermine HCL (Adipex-P)	No Criteria	---	Less than or equal to 37.5 mg/day	07/26/99	60 days out of every 120	08/09/99	No Criteria	---
Phendimetrazine	No Criteria	---	Less than or equal to 105 mg/day	07/26/99	60 days out of every 120	08/09/99	No Criteria	---
Diethylpropion (Tenuate)	No Criteria	---	Less than or equal to 100 mg/day	07/26/99	60 days out of every 120	08/09/99	No Criteria	---
Orlistat (Xenical)	No Criteria	---	Less than or equal to 360 mg/day	07/26/99	60 days out of every 90	08/09/99	No Criteria	---

### Bisphosphonates - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Maximum Initial Dose		Maximum Daily Dose		Duration of Therapy		Duplicate Therapy	
	MG Per Day	Date Begun	MG Per Day	Date Begun	Period	Date Begun	Class	Date Begun
Alendronate (Fosamax)	No Criteria	---	Less than or equal to 10 mg/day	08/19/03	No Criteria	---	No Criteria	---
Risedronate (Actonel)	No Criteria	---	Less than or equal to 5 mg/day	03/29/04	No Criteria	---	No Criteria	---

### Skeletal Muscle Relaxants - Criteria and Implementation Dates

Drug Name Generic (Brand)	Maximum Initial Dose		Maximum Daily Dose		Duplicate Therapy		Duration of Therapy	
	MG Per Day	Date Begun	MG Per Day	Date Begun	Class	Date Begun	Period	Date Begun
Carisoprodol (Soma)	No Criteria	---	Less than or equal to 1400 mg/day	06/05/00	No Criteria	---	21 days out of 30	06/12/00
Cholorzoxazone (Parafon Forte)	No Criteria	---	Less than or equal to 3000 mg/day	06/05/00	No Criteria	---	21 days out of 30	06/12/00
Cyclobenzaprine (Flexeril)	No Criteria	---	Less than or equal to 30 mg/day	04/18/06	No Criteria	---	21 days out of 30	06/12/00
Dantrolene (Dantrium)	No Criteria	---	Less than or equal to 400 mg/day	06/05/00	No Criteria	---	21 days out of 30	06/12/00
Metaxalone (Skelaxin)	No Criteria	---	Less than or equal to 3200 mg/day	06/05/00	No Criteria	---	21 days out of 30	06/12/00
Methocarbamol (Robaxin)	No Criteria	---	Less than or equal to 4500 mg/day	06/05/00	No Criteria	---	21 days out of 30	06/12/00
Orphenadrine Citrate (Norflex)	No Criteria	---	Less than or equal to 200 mg/day	06/05/00	No Criteria	---	21 days out of 30	06/12/00
Tizardine (Zanaflex)	No Criteria	---	Less than or equal to 36 mg/day	06/05/00	No Criteria	---	21 days out of 30	06/12/00
Baclofen (Lioresal)	No Criteria	---	Less than or equal to 80 mg/day	06/05/00	No Criteria	---	21 days out of 30	06/12/00

### Cholinesterase Inhibitors - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Maximum Initial Dose		Maximum Daily Dose		Duplicate Therapy		Maximum Duration	
	MG Per Day	Date Begun	MG Per Day	Date Begun	Class	Date Begun	Period	Date Begun
Donepezil (Aricept)	Less than or equal to 5 mg per day	05/15/99	Less than or equal to 10 mg per day	05/15/99	No Criteria	---	No Criteria	---
Tacrine (Cognex)	Less than or equal to 40 mg per day	05/15/99	Less than or equal to 160 mg per day	05/15/99	No Criteria	---	No Criteria	---
Rivastigmine (Exelon)	Less than or equal to 3 mg per day	05/17/02	Less than or equal to 12 mg per day	05/13/02	No Criteria	---	No Criteria	---
Galantamine (Reminyl)	Less than or equal to 8 mg per day	05/17/02	Less than or equal to 24 mg per day	05/13/02	No Criteria	---	No Criteria	---
Memantine (Namenda)	Less than or equal to 5 mg	02/14/05	Less than or equal to 20 mg per day	02/14/05	No Criteria	---	No Criteria	---

### Erectile Dysfunction Agents - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Duplicate Therapy		Maximum Daily Dose		Gender Edit		Maximum Duration	
	Class	Date Begun	MG Per Day	Date Begun	Male/ Female	Date Begun	Period	Date Begun
Sildenafil Citrate (Viagra)	Concurrent with other erectile dysfunction agents	05/07/04	Less than or equal to 50 mg/day	06/01/98	Male	10/18/04	8 days out of every 30	01/04/99
Vardenafil (Levitra)	Concurrent with other erectile dysfunction agents	05/07/04	No Criteria	---	Male	10/18/04	8 days out of every 30	10/31/03
Tadalafil (Cialis)	Concurrent with other erectile dysfunction agents	04/29/08	Less than or equal to 20 mg/day	03/15/04	Male	10/18/04	8 days out of every 30	05/05/04
Alprostadil (Caverject)	Concurrent with other erectile dysfunction agents	05/07/04	No Criteria	---	Male	02/11/08	8 days out of every 30	02/11/08

### Antibiotics - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Maximum Initial Dose		Maximum Daily Dose		Duplicate Therapy		Maximum Duration	
	MG Per Day	Date Begun	MG Per Day	Date Begun	Class	Date Begun	Period	Date Begun
Doxycycline (Periostat)	No Criteria	---	Less than or equal to 40 mg/day	05/13/02	No Criteria	---	9 months out of every 12	05/13/02
Rifaximin (Xifaxan)	No Criteria	---	No Criteria	---	No Criteria	---	3 days out of every 180	06/03/09

### Antihistamines - Criteria and Implementation Dates

Drug Name Generic (Brand)	Maximum Initial Dose		Maximum Daily Dose		Duplicate Therapy		Duration of Therapy	
	MG Per Day	Date Begun	MG Per Day	Date Begun	Class	Date Begun	Period	Date Begun
Cetirizine (Zyrtec, Zyrtec-D)	No Criteria	---	Less than or equal to 10 mg/day	08/16/03	Concurrent with other antihistamines	08/16/03	No Criteria	---
Desloratadine (Clarinet, Clarinet-D)	No Criteria	---	Less than or equal to 5 mg/day	08/16/03	Concurrent with other antihistamines	08/16/03	No Criteria	---
Fexofenadine (Allegra, Allegra-D)	No Criteria	---	Less than or equal to 120 mg/day	08/16/03	Concurrent with other antihistamines	08/16/03	No Criteria	---
Fexofenadine (Allegra, 180 mg strength tablet)	No Criteria	---	Less than or equal to 180 mg/day	08/16/03	Concurrent with other antihistamines	08/16/03	No Criteria	---

### Antimigraine Agents - Criteria and Implementation Dates

Drug Name Generic (Brand)	Maximum Initial Dose		Maximum Daily Dose		Duplicate Therapy		Duration of Therapy	
	MG Per Day	Date Begun	MG Per Day	Date Begun	Class	Date Begun	Period	Date Begun
Zolmitriptan (Zomig, ZMT)	No Criteria	---	Less than or equal to 10 mg/day	08/16/03	Concurrent with other anti-migraines	08/16/03	3 days out of every 30	08/16/03
Almotriptan (Axert)	No Criteria	---	Less than or equal to 25 mg/day	08/16/03	Concurrent with other anti-migraines	08/16/03	4 days out of every 30	08/16/03
Methysergide mealeate (Sansert)	No Criteria	---	Less than or equal to 8 mg/daily	08/16/03	Concurrent with other anti-migraines	08/16/03	150 days out of every 180	08/16/03
Naratriptan (Amerge)	Not Recommended for the Elderly							
Frovatriptan (Frova)	No Criteria	---	Less than or equal to 7.5 mg/day	08/16/03	Concurrent with other anti-migraines	08/16/03	4 days out of every 30	08/16/03
DH Enesylate (Migranal)	No Criteria	---	Less than or equal to 2 bottles daily	08/16/03	Concurrent with other anti-migraines	08/16/03	4 days out of every 30	08/16/03
Rizatriptan (Maxalt, Maxalt MLT)	No Criteria	---	Less than or equal to 30 mg/day	08/16/03	Concurrent with other anti-migraines	08/16/03	4 days out of every 30	08/16/03
Eletriptan (Relpax)	No Criteria	---	Less than or equal to 40 mg/day	03/29/04	Concurrent with other anti-migraines	03/29/04	3 days out of every 30	03/29/04

### Smoking Cessation Agent - Criteria and Implementation Dates

Drug Name Generic (Brand)	Maximum Initial Dose		Maximum Daily Dose		Duration of Therapy	
	MG Per Day	Date Begun	MG Per Day	Date Begun	Period	Date Begun
Varenicline (Chantix)	No Criteria	---	No Criteria	---	12 weeks followed by another 12 weeks if smoking cessation has been documented	02/14/07

### Thioglitazones – Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Step Therapy	Date Begun
Rosiglitazone and combinations (Avandia, Avandamet, Avandaryl)	Medical exception required	1/6/2009
Pioglitazone (Actos)	Previous therapy required with a sulfonylurea, metformin or insulin.	1/6/2009

**MATRIX OF DRUG-DRUG INTERACTIONS**

		<i>Check for Drugs Already in History</i>																
<b>Incoming Claim</b>	<b>Propulsid</b>	<b>Monistat IV</b>	<b>Sporanox</b>	<b>Nizoral</b>	<b>TAO</b>	<b>Macrolides other than TAO</b>	<b>Non-Sedating Antihistamines</b>	<b>Serzone</b>	<b>Effexor</b>	<b>Luvox</b>	<b>MAO Inhibitors</b>	<b>Nitroglycerin</b>	<b>Viagra</b>	<b>Anti-arrhythmics Class 1A, III</b>	<b>Tricyclic Anti-depressants</b>	<b>Anti-psychotics</b>	<b>Vascor, Hismanal, Zagam</b>	<b>Cymbalta</b>
Propulsid		co-admin	co-admin	co-admin	co-admin												co-admin	
Monistat IV	co-admin						co-admin											
Sporanox	co-admin						co-admin											
Nizoral	co-admin						co-admin											
TAO	co-admin						co-admin											
Macrolides other than TAO							co-admin											
Non-Sedating Antihistamines			co-admin	co-admin	co-admin	co-admin		co-admin		co-admin								
Serzone							co-admin				co-admin, 14 days							
Effexor											co-admin, 14 days							
Luvox							co-admin				co-admin, 14 days							
MAO Inhibitors								co-admin, 7 days	co-admin, 7 days	co-admin, 14 days								co-admin, 14 days
Nitroglycerin													co-admin					
Viagra												co-admin						
Antiarrhythmics Class 1A, III	co-admin																	
Tricyclic Antidepressants	co-admin																	
Antipsychotics	co-admin																	
Vascor, Hismanal, Zagam	co-admin																	
Cymbalta											co-admin, 14 days							