

# PACE

Pharmaceutical Assistance Contract for the Elderly

## ANNUAL REPORT TO THE PENNSYLVANIA GENERAL ASSEMBLY



JANUARY 1 - DECEMBER 31, 2007

PRESENTED BY

PENNSYLVANIA  
DEPARTMENT OF  
**AGING**

EDWARD G. RENDELL  
GOVERNOR

JOHN MICHAEL HALL  
SECRETARY OF AGING

PHARMACEUTICAL ASSISTANCE CONTRACT FOR THE ELDERLY

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For the Pennsylvania Department of Aging

Director

Secretary

Operations Chief

Administrative Assistant

Administrative Assistant

Applications and Enrollments Manager

Administrative Officer

Research and Evaluation Chief

Program Analyst

Legislative Liaison

Thomas M. Snedden

Linda Barlow

Rose M. Paulus

Peggy Vespe

Marian Kowatch

Darlene L. Shughart

Barbara Butler

Theresa V. Brown

Antonino G. Vetranò

Metro Petrosky

Pennsylvania Department of Aging

The PACE Program

Forum Place Building

555 Walnut Street

5th Floor

Harrisburg, PA 17101-1919

717-787-7313

For FIRST HEALTH

Vice President

Director, PACE Operations

Pharmacy Research Scientist

Programmer/Analyst

Business Services Manager

Quality Assurance Manager

Research Specialist

Report Specialist

David C. Viele

Bradley I. Kohler

Debra A. Heller, Ph.D.

Beth A. Schlaline

Donald G. Smith

Kimberly Matter

Kristine E. Pringle, Ph.D.

Colleen M. Brindamour

FIRST HEALTH

4000 Crums Mill Road

Suite 301

Harrisburg, PA 17112

Any questions or comments pertaining to information within this report may be addressed to the Pennsylvania Department of Aging at the address given above.



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## EXECUTIVE SUMMARY

Over the past 23 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 report presents an administrative overview of the PACE/PACENET Programs within the Pennsylvania Department of Aging followed by eight sections of information about the pharmaceutical utilization of older Pennsylvanians, including:

- collaborative research efforts,
- financial information,
- program measures,
- utilization parameters,
- data stratified by county,
- provider statistics,
- therapeutic drug utilization review results, and
- a report on pharmaceutical manufacturer assistance referrals.

### ENROLLMENT, UTILIZATION, and EXPENDITURES

Prescription drug benefits constitute 97.6% of the Program's total gross expenses while administrative costs are 1.9%. Mandated manufacturer rebates and other recoveries reduced 2007 gross expenses by 11.6% (Table 2.2, page 26). 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 (Table 2.1A, page 21): The combination of the following factors resulted in an overall 44.2% decrease in total PACE expenditures for 2007 when compared to 2006.

- *PACE Plus Medicare:* 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. In September 2006, PACE implemented the PACE Plus Medicare Program. In January 2007, the Program assigned 97,511 PACE cardholders to nine partner plans. As a result, the PACE Program saw a substantial decrease in average per member per month costs in 2007, relative to 2006.
- *Increase in Enrollment:* The number of enrolled cardholders in 2007 increased slightly (+1.5%) relative to 2006, from 206,203 to 209,201.
- *Decrease in Utilization Trend:* During January-June of 2007, claims per enrolled cardholder were 20.9% lower than the average for the same period in 2006 (17.8 vs. 22.5). Although utilization increased to 19.0 claims per enrollee during the second half of the year, this was still 9.1% lower than the corresponding average of 20.9 claims observed for July-December 2006.
- *Decreased Cost per Claim:* With the implementation of PACE Plus Medicare, the Program realized savings in the average state share per claim through avoided costs, shown by the substantial decrease in the cost per claim and in expenditures per cardholder. These decreases are apparent by comparing values for 2006 with values for 2007. At \$22.44, the average state share per claim for January-June 2007 was substantially lower than the January-June 2006 average of \$43.81. In July-December 2007, the state share increased to \$28.38, but still remained lower than the July-December 2006 average of \$31.05. Total expenditures per enrolled cardholder during January-June 2007 averaged \$399.81, a 59.4% decrease from the January-June 2006 average of \$984.67.

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

PACENET (Table 2.1B, page 22): Total PACENET expenditures declined between 2006 and 2007. The combination of the following factors contributed to the observed PACENET expenditure trend.

- *PACE Plus Medicare*: Following the same implementation and growth procedures for Part D enrollments as seen in PACE, the Program assigned 67,009 PACENET cardholders to nine partner plans in January 2007.
- *Increase in Enrollment*: The number of PACENET enrolled cardholders in 2007 increased by 17.1% relative to 2006, from 148,226 to 173,555.
- *Increased Utilization Trend*: The average number of claims (deductible and copaid) per enrolled PACENET cardholder during January-June 2007 was 19.9% lower than that observed during January-June 2006 (16.1 vs. 20.1). However, there was an apparent increased utilization trend during the latter part of 2007. Claims per enrolled cardholder increased by 13.0% between the first and second halves of 2007 (from 16.1 to 18.2 per six month period).
- *Increased Cost per Claim*: The average cost per PACENET claim declined during 2007 as a result of the implementation of PACE Plus Medicare. Cost per claim fell from \$37.09 during January-June 2006 to \$22.46 during January-June 2007, a decline of 39.4%. Similarly, the total benefit per enrolled PACENET cardholder decreased by 51.3%, from \$746 during January-June 2006 to \$363 during January-June 2007.

## **MAGNITUDE OF NEED** (Figure 2.2, page 24)

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 (25,666) received coverage valued between \$2,000 and \$5,000. An additional 4,415 older persons, 2.1% of enrollees, utilized \$5,000 or more in benefits that were paid by PACE.

## **DEPTH AND BREADTH OF THE BENEFIT** (Table 5.1 page 71 and Figure 5.2, page 75)

The Program reaches across all Commonwealth counties. Cardholders and pharmacy providers in large and small counties are well represented. Statewide, 2,981 pharmacy providers received the benefit of increased business, reliable payments, stable customer base, and rapid Program response. The proportion of elderly enrolled in PACE and PACENET ranges from 11.2% in Montgomery County to 32.5% in Mifflin County.

## **MEDICATIONS USED** (Tables 7.1A and 7.1B, pages 91-94)

The medications used reflect the chronic disease burden experienced by many elderly. On average, participants used between four and five different medications each month. Over 80% of PACE enrollees utilized one or more cardiovascular drugs, accounting for approximately one-third of all claims and expenditures. Other frequently used classes include hormones and synthetic substances, gastrointestinal agents, and medications for pain.

## **ENSURING SAFE MEDICATION USE** (Figures 7.2 and 7.3, pages 96-98)

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** (Program Research Highlights, page 11)

In 2007 and 2008, researchers using Program data published and presented topics related to medication adherence, falls, adverse drug reactions, and medication safety.

**CONSUMER PHARMACEUTICAL ASSISTANCE** (*Pennsylvania Patient Assistance Program Clearinghouse, page 103*)

During 2007, the Program continued its referral system for persons who are in need of pharmaceutical assistance but ineligible for PACE/PACENET benefits. This effort, which responded to 7,648 inquiries over six years, facilitated contact between Area Agency on Aging offices and the patient assistance programs offered by pharmaceutical manufacturers. At the end of 2007, 42% (3,226) of inquirers were receiving medication assistance through the Clearinghouse. Another 369 persons were over the income limits set by drug manufacturers. The remaining patients were referred to other forms of coverage.

**FREQUENTLY REQUESTED PROGRAM STATISTICS**

The table below provides frequently requested Program information and lists references within the report for additional details.

<b>2007 PACE AND PACENET SUMMARY</b>			
	<b>PACE</b>	<b>PACENET</b>	<b>REFER TO:</b>
<b>DEMOGRAPHIC DATA</b>			
Total enrolled for 2007	209,201	173,555	Tables 4.2, A and B
% Participating	84.7%	80.6%	Tables 4.2, A and B
Avg. age for enrolled	79.2 yrs.	77.6 yrs.	Tables 4.2, A and B
Female, avg. age	79.7 yrs.	77.8 yrs.	
Male, avg. age	77.0 yrs.	77.2 yrs.	
% Female	80.2%	67.2%	Tables 4.2, A and B
% Own residence	54.1%	68.2%	Tables 4.2, A and B
% Rent	26.8%	18.8%	Tables 4.2, A and B
% Married	14.5%	43.6%	Tables 4.2, A and B
Avg. Income	\$12,479	\$20,808	Tables 4.2, A and B
% Cardholders in urban counties	41.6%	36.9%	Table 5.1
% Cardholders in rural counties	12.8%	13.8%	Table 5.1
<b>BENEFIT DATA</b>			
Avg. state share per enrolled cardholder	\$861	\$833	Tables 4.2, A and B
Avg. state share per participant	\$1,016	\$1,034	Tables 4.2, A and B
Avg. state share per copaid claim	\$25.35	\$27.14	Figure 2.1
2007 percent change in state share per claim	32.8% decrease	25.0% decrease	Figure 2.1, 2006 and 2007
Avg. cardholder share per claim	\$6.03	\$10.64	Table 4.4
Avg. claims per participant	40.1	38.0	Tables 4.2, A and B
Avg. number of therapeutic classes per participant	5.6	5.5	Tables 7.1, A and B
<b>UTILIZATION DATA (by date of payment)</b>			
Total claims	7,148,735	5,302,225	Tables 6.1 and 6.5
Avg. claims per enrolled cardholder	34.2	30.6	Tables 6.1 and 6.5
Avg. deductible claims per cardholder	-	1.9	Table 6.5
Avg. copaid claims per cardholder	-	28.6	Table 6.5
Generic utilization rate	58.1%	57.3%	Tables 6.2 and 6.6
<b>PAYMENT DATA</b>			
Total Program payout	\$181.13 M	\$144.54 M	Table 3.1
Avg. weekly Program payout	\$3.48 M	\$2.78 M	Table 3.1
Avg. annual Program payout per pharmacy	\$60,762	\$48,488	Tables 3.1 and 5.1
% Program payout to chain pharmacies	56.1%	57.8%	Tables 3.1, 6.1, and 6.5



## **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 (December 2008)**

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 2007**

SEMI-ANNUAL PERIOD	ENROLLED CARDHOLDERS	PARTICIPATING CARDHOLDERS	TOTAL CLAIMS	CLAIMS PER ENROLLED CARDHOLDER	CLAIMS PER PARTICIPATING CARDHOLDER	TOTAL EXPENDITURES	EXPENDITURES PER ENROLLED CARDHOLDER	EXPENDITURES PER PARTICIPATING CARDHOLDER	AVERAGE STATE SHARE PER CLAIM
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
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

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.

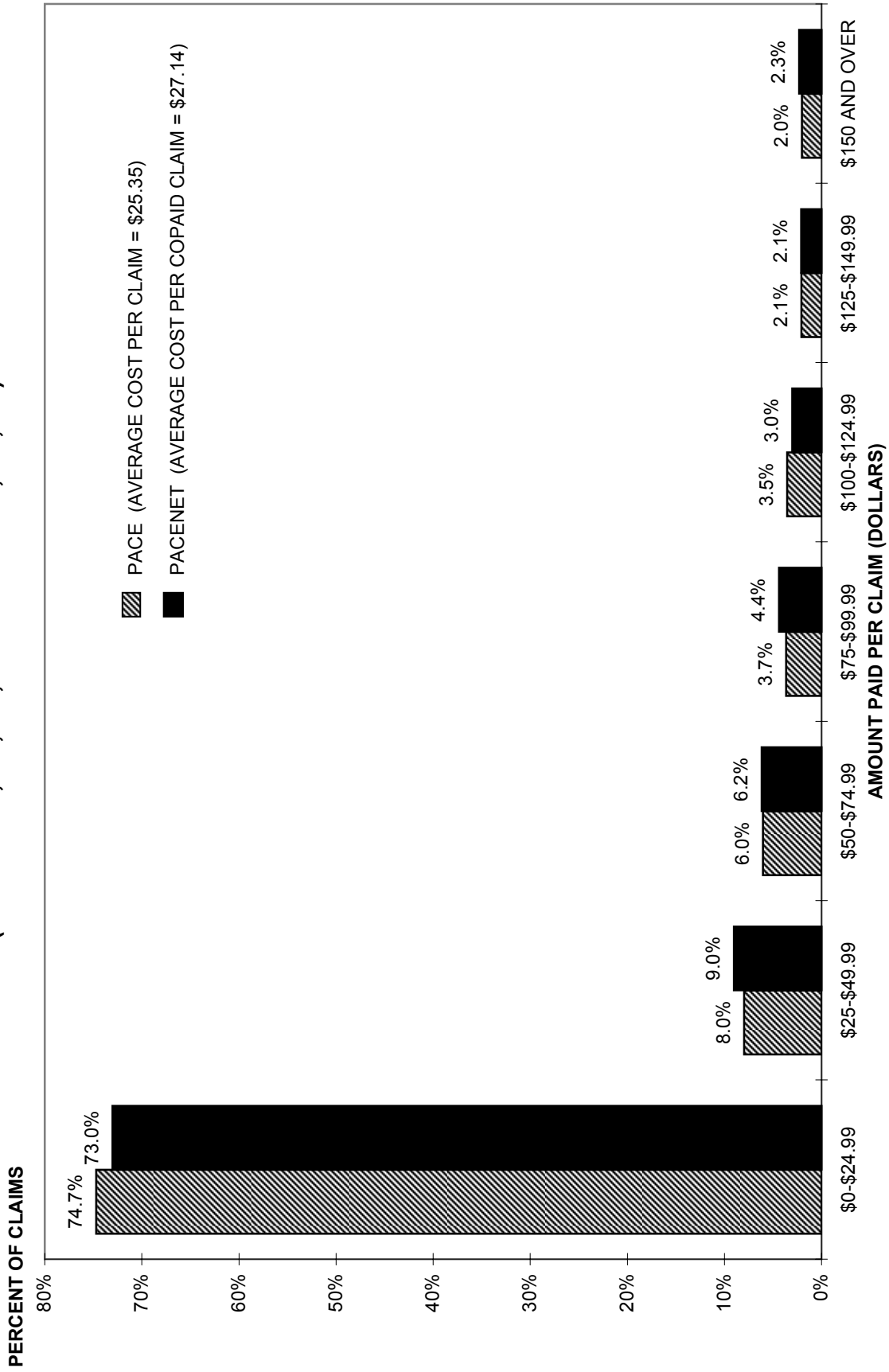
**TABLE 2.1B  
HISTORICAL CLAIM AND EXPENDITURE DATA FOR PACENET ENROLLED AND PARTICIPATING CARDHOLDERS  
BY SEMI-ANNUAL PERIOD BASED ON DATE OF SERVICE  
JULY 1996 - DECEMBER 2007**

<u>SEMI-ANNUAL PERIOD</u>	<u>ENROLLED CARDHOLDERS</u>	<u>PARTICI-PATING CARDHOLDERS</u>	<u>TOTAL CLAIMS</u>	<u>CLAIMS PER</u>		<u>TOTAL EXPENDITURES</u>	<u>EXPENDITURES</u>		<u>AVERAGE STATE SHARE PER CLAIM</u>
				<u>ENROLLED CARDHOLDER</u>	<u>PARTICI-PATING CARDHOLDER</u>		<u>PER ENROLLED CARDHOLDER</u>	<u>PER PARTICIPATING CARDHOLDER</u>	
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

SOURCE: PDA/CARDHOLDER FILE, CLAIMS HISTORY

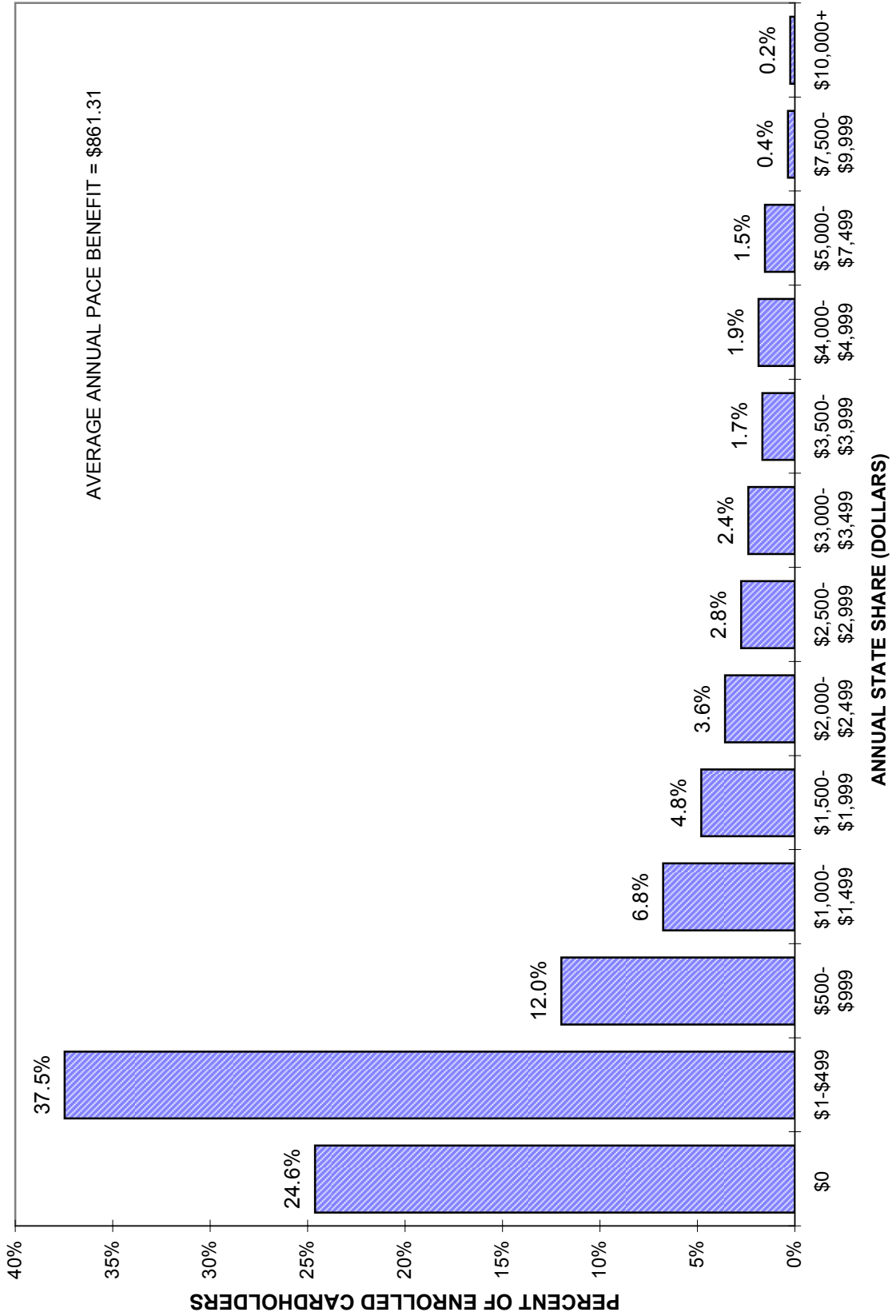
NOTES: DATA INCLUDE ORIGINAL, PAID PACENET CLAIMS BY DATE OF SERVICE. TOTAL CLAIMS INCLUDE DEDUCTIBLE CLAIMS AND COPAID CLAIMS. ENROLLED CARDHOLDERS ARE THOSE ENROLLED FOR ANY PORTION OF THE REPORTED PERIOD.

**FIGURE 2.1**  
**PACE AND PACENET CLAIM DISTRIBUTION BY AMOUNT PAID PER CLAIM**  
**JANUARY - DECEMBER 2007**  
**(PACE N = 7,107,338; PACENET N = 4,984,517)**



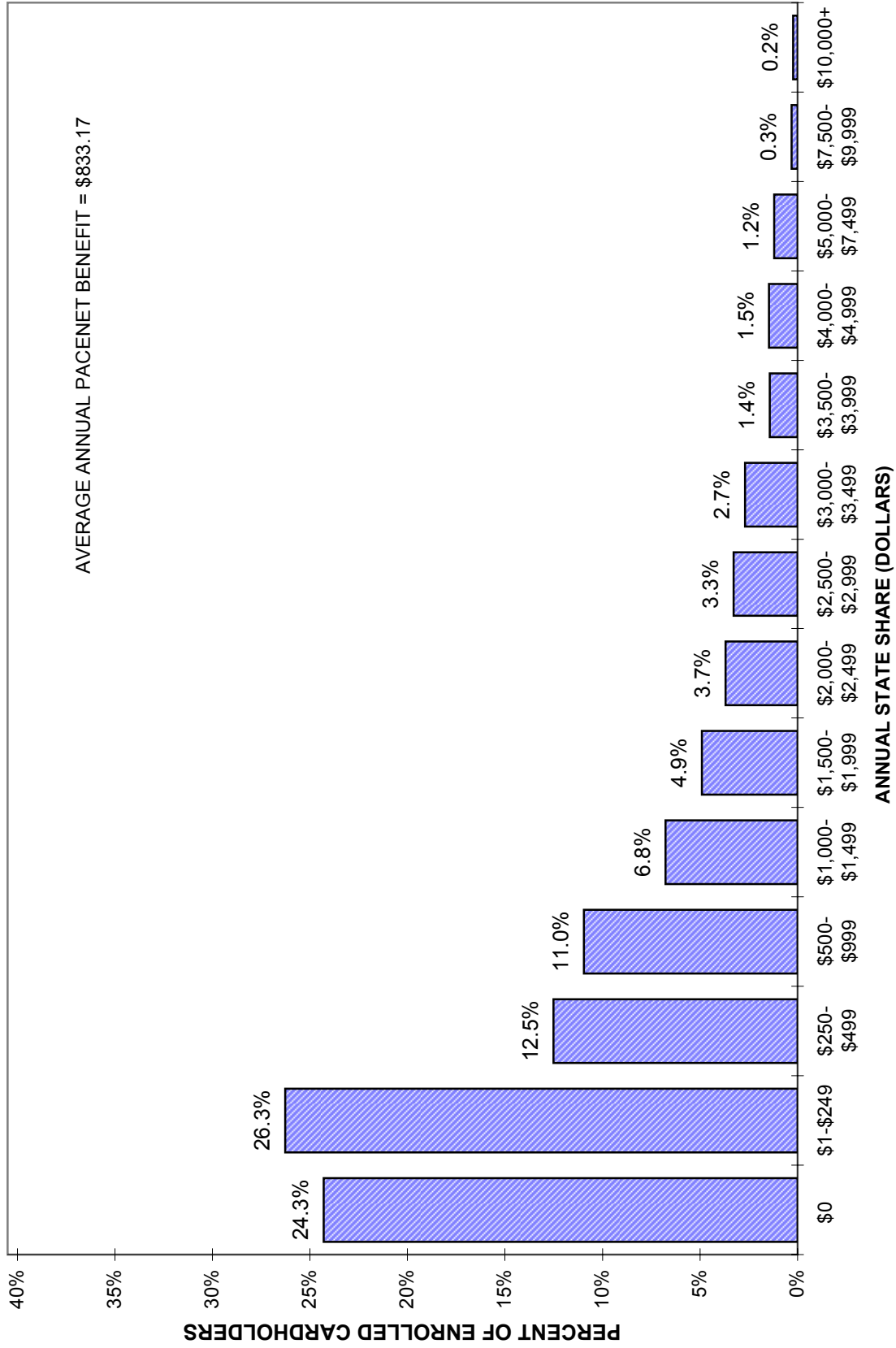
SOURCE: PDA/CLAIMS HISTORY  
 NOTE: DATA INCLUDE ORIGINAL, PAID CLAIMS BY DATE OF SERVICE, EXCLUDE PACENET DEDUCTIBLE CLAIMS.

**FIGURE 2.2**  
**DISTRIBUTION OF PACE ANNUAL BENEFIT**  
**JANUARY - DECEMBER 2007**  
**N = 209,201**



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 2007**  
**N = 173,555**



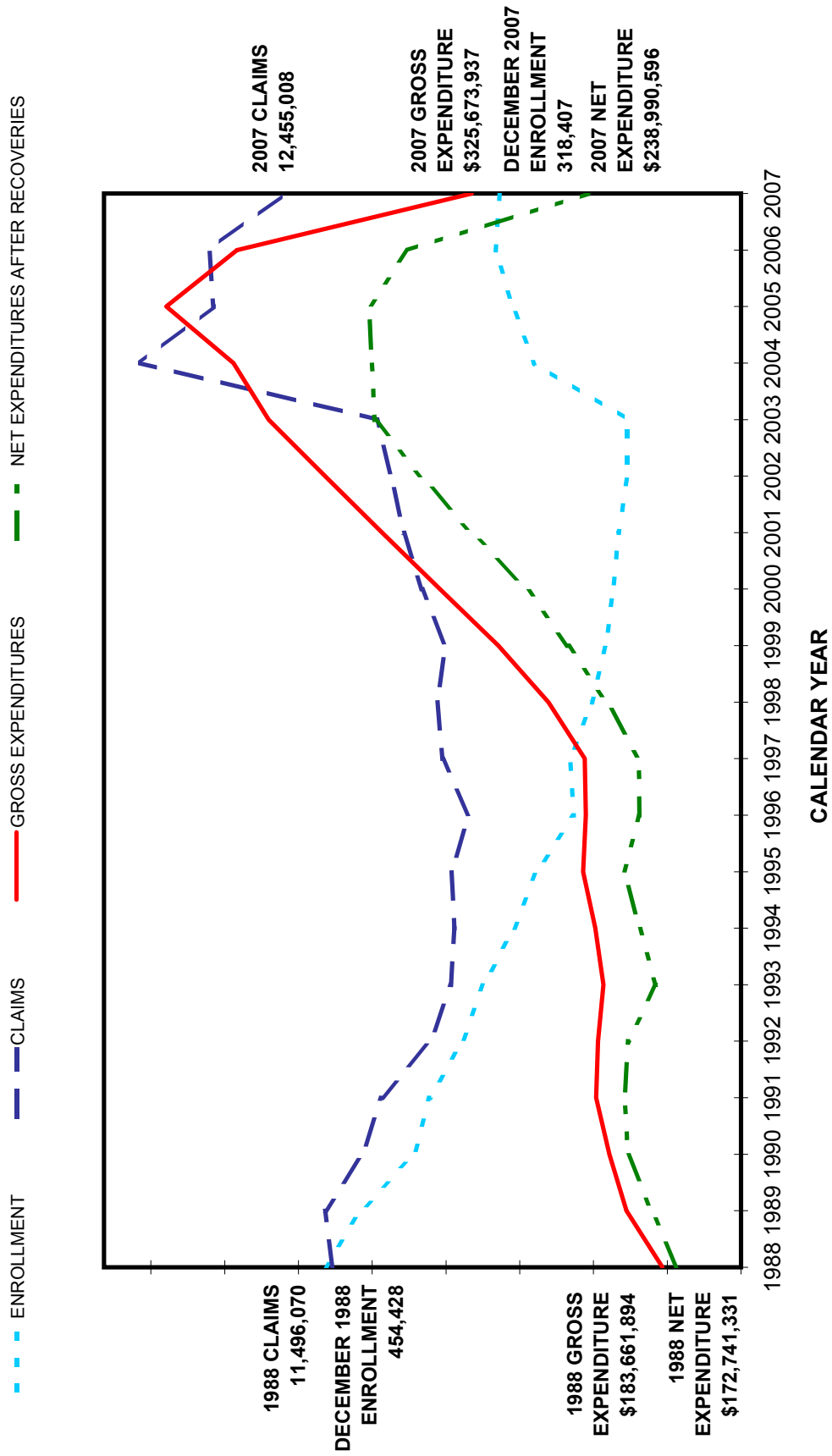
SOURCE: PDA/CLAIMS HISTORY  
 NOTE: DATA INCLUDE PACENET ORIGINAL, PAID CLAIMS BY DATE OF SERVICE, EXCLUDE PACE CLAIMS.

**TABLE 2.2**  
**PACE AND PACENET TOTAL PRESCRIPTION COST, EXPENDITURES, OFFSETS AND RECOVERIES**  
**JANUARY - DECEMBER 2007**

EXPENDITURES, RECOVERIES, OFFSETS	JAN - JUN	JUL - DEC	CY 2007	% OF TOTAL GROSS EXPENDITURES
TOTAL PRESCRIPTION COST	\$ 363,901,273	\$ 360,519,804	\$ 724,421,077	
MEDICARE PART D PREMIUMS	7,292,010	8,744,409	16,036,419	
GROSS CLAIMS/PREMIUMS SUBTOTAL	371,193,283	369,264,213	740,457,496	97.6%
FHS CONTRACT				
OPERATIONS	7,329,046	5,577,961	12,907,007	
SPECIAL CLAIMS	1,695	1,566	3,261	
GROSS CONTRACT SUBTOTAL	7,330,741	5,579,527	12,910,268	1.7%
PDA ADMINISTRATION				
PERSONNEL	410,019	362,525	772,544	
OPERATIONS	51,777	62,511	114,288	
GROSS PDA ADMIN. SUBTOTAL	461,796	425,036	886,832	0.1%
OTHER ADMINISTRATION				
MEDICAL ADVISOR	4,058	2,975	7,033	
THIRD PARTY RECOVERY	525,380	287,051	812,431	
GROSS OTHER ADMIN. SUBTOTAL	529,438	290,026	819,464	0.1%
ENROLLMENT OUTREACH	1,099,119	651,647	1,750,766	0.2%
PROVIDER EDUCATION	805,282	704,391	1,509,673	0.2%
GROSS EXPENDITURES	381,419,659	376,914,840	758,334,499	100.0%
PRESCRIPTION COST OFFSETS				
PART D/OTHER PAYER OFFSETS	(173,354,769)	(126,986,692)	(300,341,461)	-39.6%
CARDHOLDER COPAYMENTS	(50,257,663)	(49,169,582)	(99,427,245)	-13.1%
TOTAL OFFSETS	(223,612,432)	(176,156,274)	(399,768,706)	-52.7%
RECOVERIES				
MANUFACTURER REBATES	(49,123,061)	(34,927,952)	(84,051,013)	
INCOME VERIFICATION / REVENUE MATCH	(41,495)	(43,715)	(85,210)	
ATTORNEY GENERAL COLLECTIONS	(269,248)	(1,427,167)	(1,696,415)	
THIRD-PARTY REIMBURSEMENTS	(4,104,576)	(3,738,200)	(7,842,776)	
PACE/MA CONVERSION ADJUSTMENT	(476,823)	-	(476,823)	
COMBINED RECOVERIES	(54,015,203)	(40,137,034)	(94,152,237)	
PRIOR YEARS' REBATE REFUNDS	5,853,241	619,745	6,472,986	
NET RECOVERIES	(48,161,962)	(39,517,289)	(87,679,251)	-11.6%
NET EXPENDITURES				
STATE SHARE BEFORE RECOVERIES	140,288,841	184,363,530	324,652,371	42.8%
STATE SHARE AFTER RECOVERIES	92,126,879	144,846,241	236,973,120	31.2%
NET STATE SHARE SHARE EXPENDITURES				
AFTER OFFSETS AND RECOVERIES	\$ 109,645,265	\$ 161,241,277	\$ 270,886,542	35.7%

NOTES: TABLE USES SAS201 REPORT FOR PRESCRIPTION COST DISTRIBUTION.  
REBATES (\$84.1 M) ARE 25.9% OF TOTAL STATE SHARE PRESCRIPTION DRUG COST (\$324.7 M).  
TOTAL PRESCRIPTION COST DOES NOT INCLUDE CLAIMS PROCESSED SOLELY BY THIRD PARTY COVERAGE.

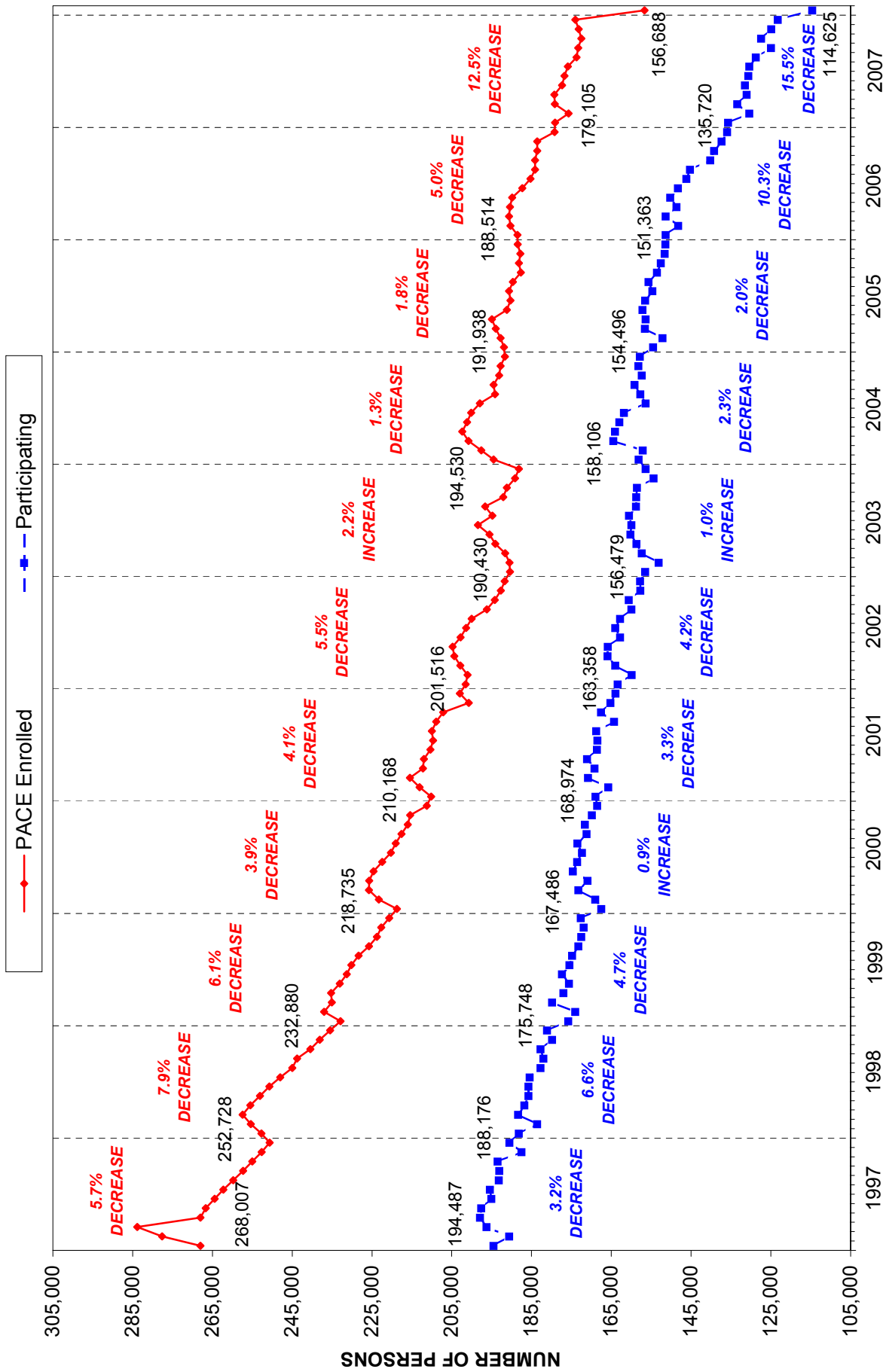
**FIGURE 2.4**  
**PACE AND PACENET ENROLLMENT, CLAIMS, AND CLAIMS EXPENDITURES**  
**BY CALENDAR YEAR**  
**1988-2007**



Source: PACE Biannual Reports, 1988-1995; PACE Annual Reports, 1996-2007

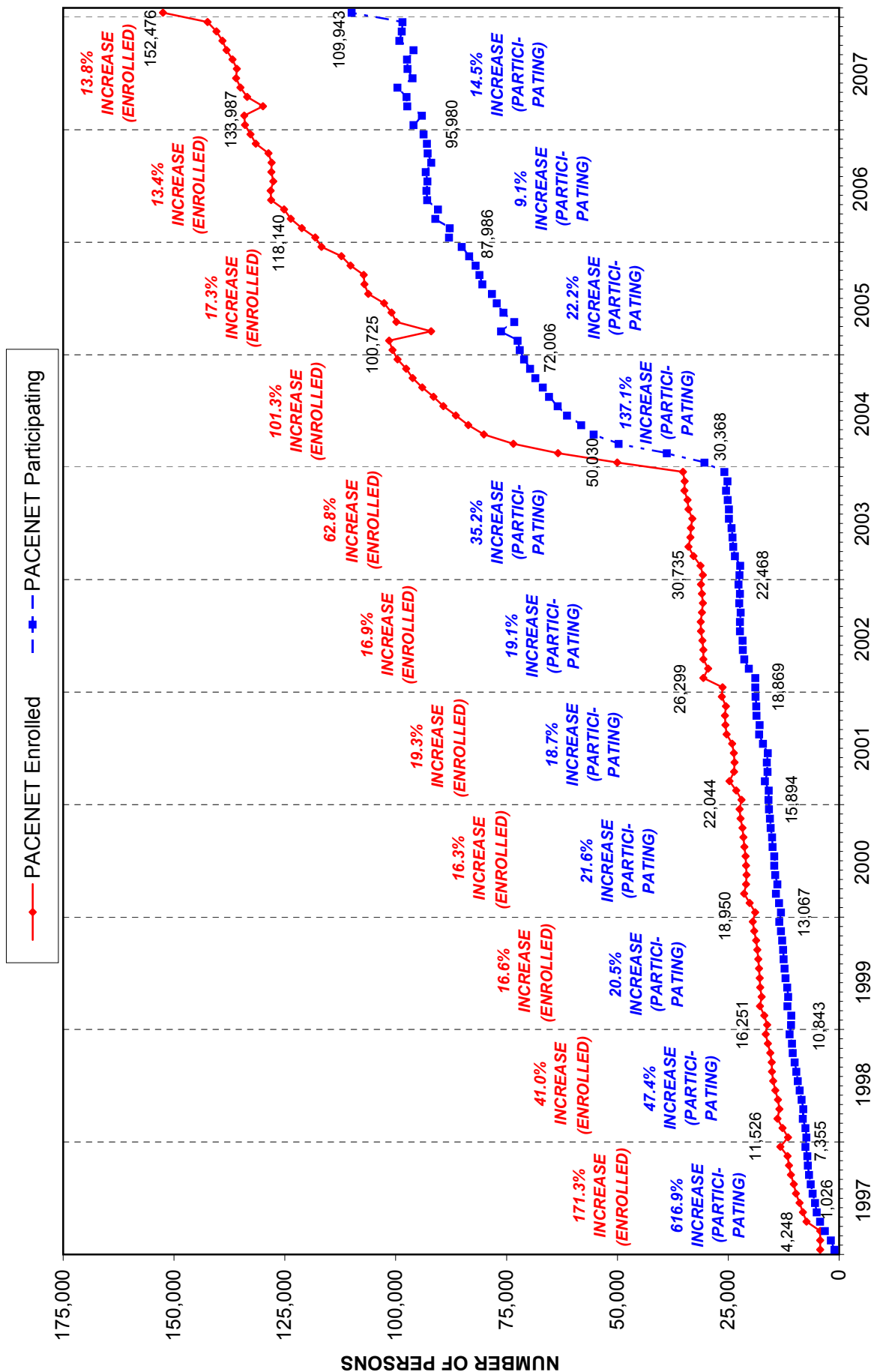
Notes: Enrollment figures represent the number of enrolled cardholders at the end of each reported calendar year. Recoveries include third party payments, manufacturers' rebate, and restitutions.

**FIGURE 2.5A**  
**PACE TOTAL ENROLLED AND PARTICIPATING CARDHOLDERS BY MONTH**  
**JANUARY 1997 - JANUARY 2008**



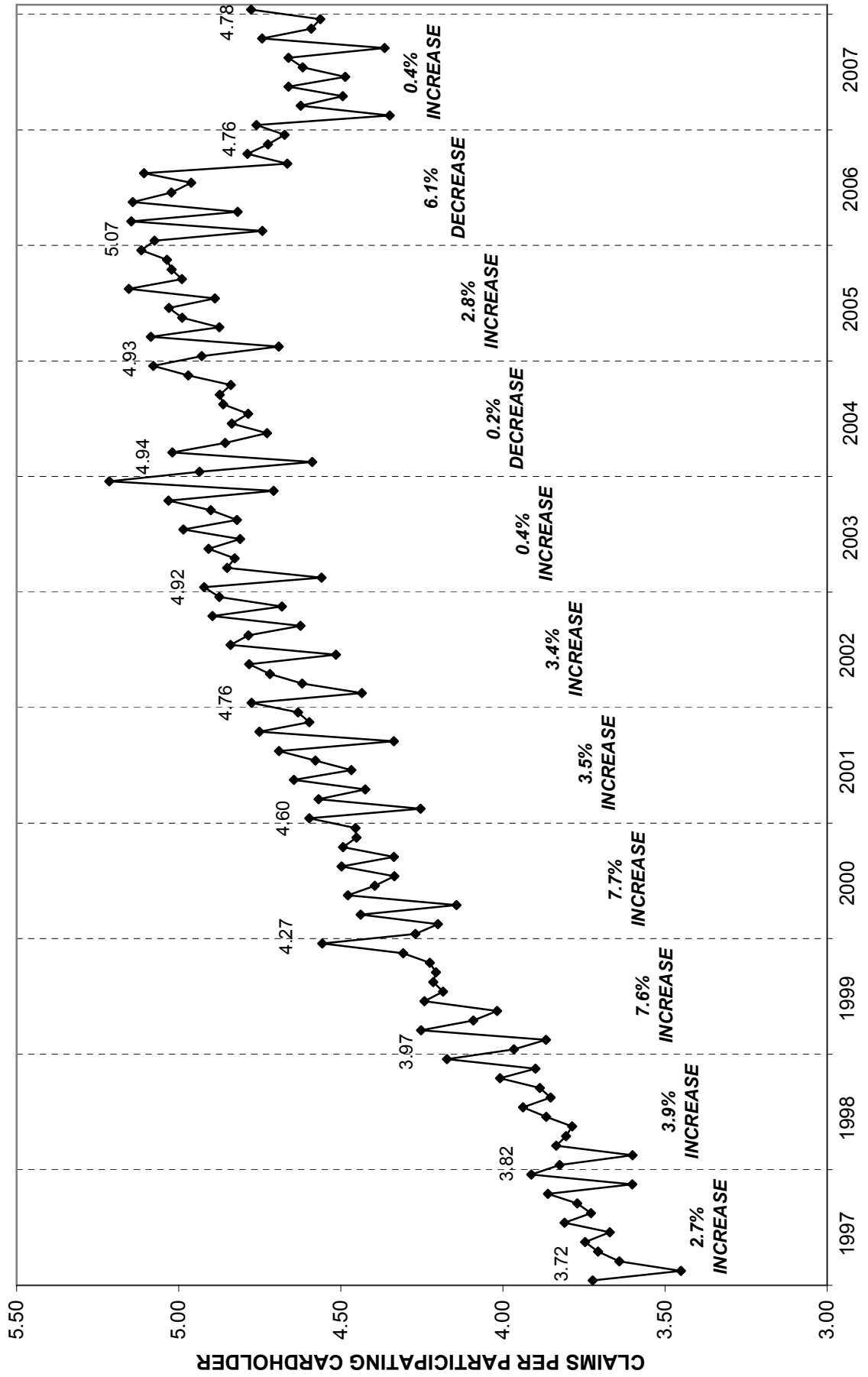
SOURCE: END-OF-MONTH PACE ENROLLED TAKEN FROM MR-0-01A REPORT, PARTICIPATING TAKEN FROM CLAIMS HISTORY BASED ON DATE OF SERVICE

**FIGURE 2.5B**  
**PACENET TOTAL ENROLLED AND PARTICIPATING CARDHOLDERS BY MONTH**  
**JANUARY 1997 - JANUARY 2008**



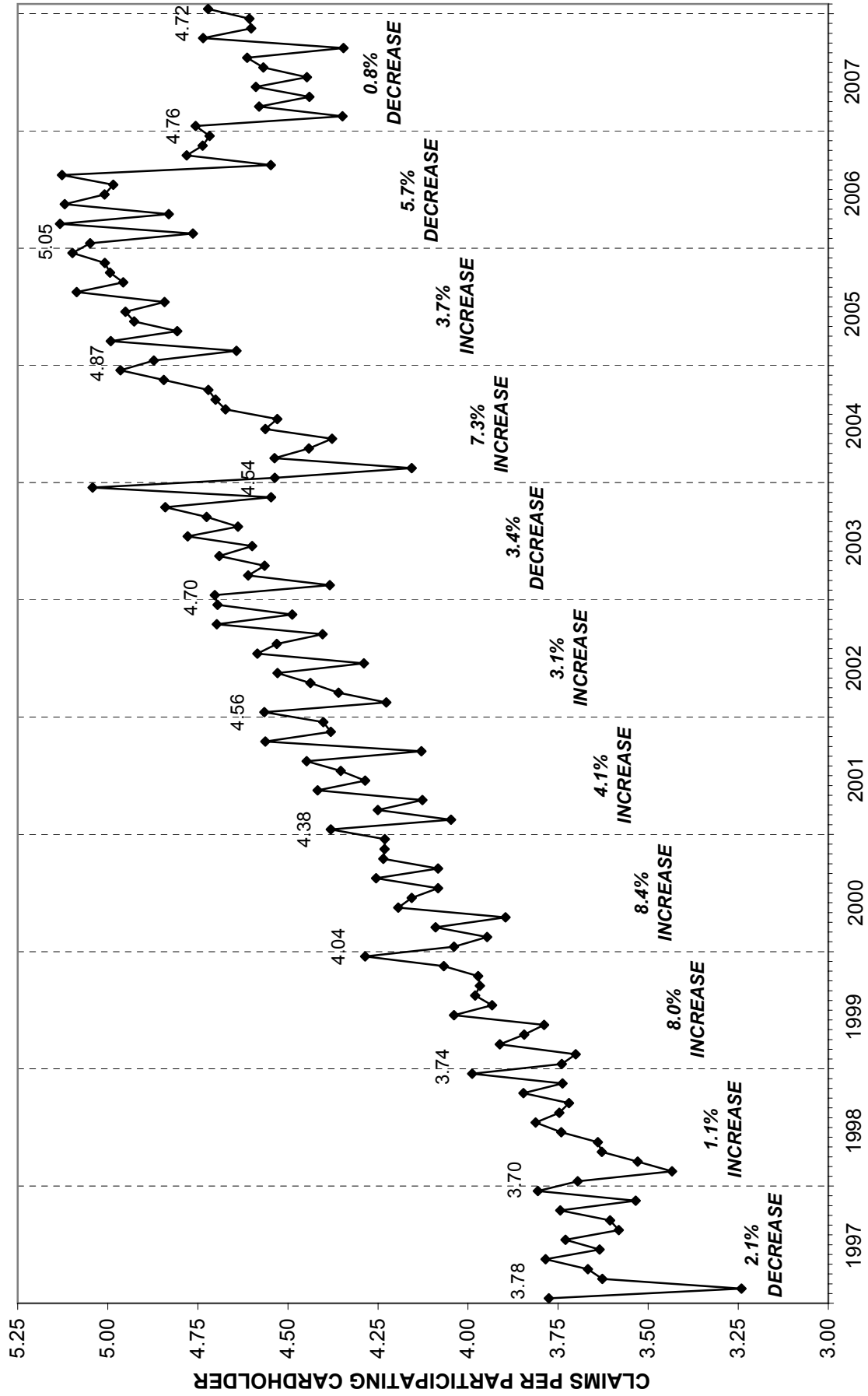
SOURCE: END-OF-MONTH PACE ENROLLED TAKEN FROM MR-0-01A REPORT, PARTICIPATING TAKEN FROM CLAIMS HISTORY BASED ON DATE OF SERVICE

**FIGURE 2.6A**  
**AVERAGE PRESCRIPTIONS PER PARTICIPATING PACE CARDHOLDER BY MONTH**  
**JANUARY 1997 - JANUARY 2008**



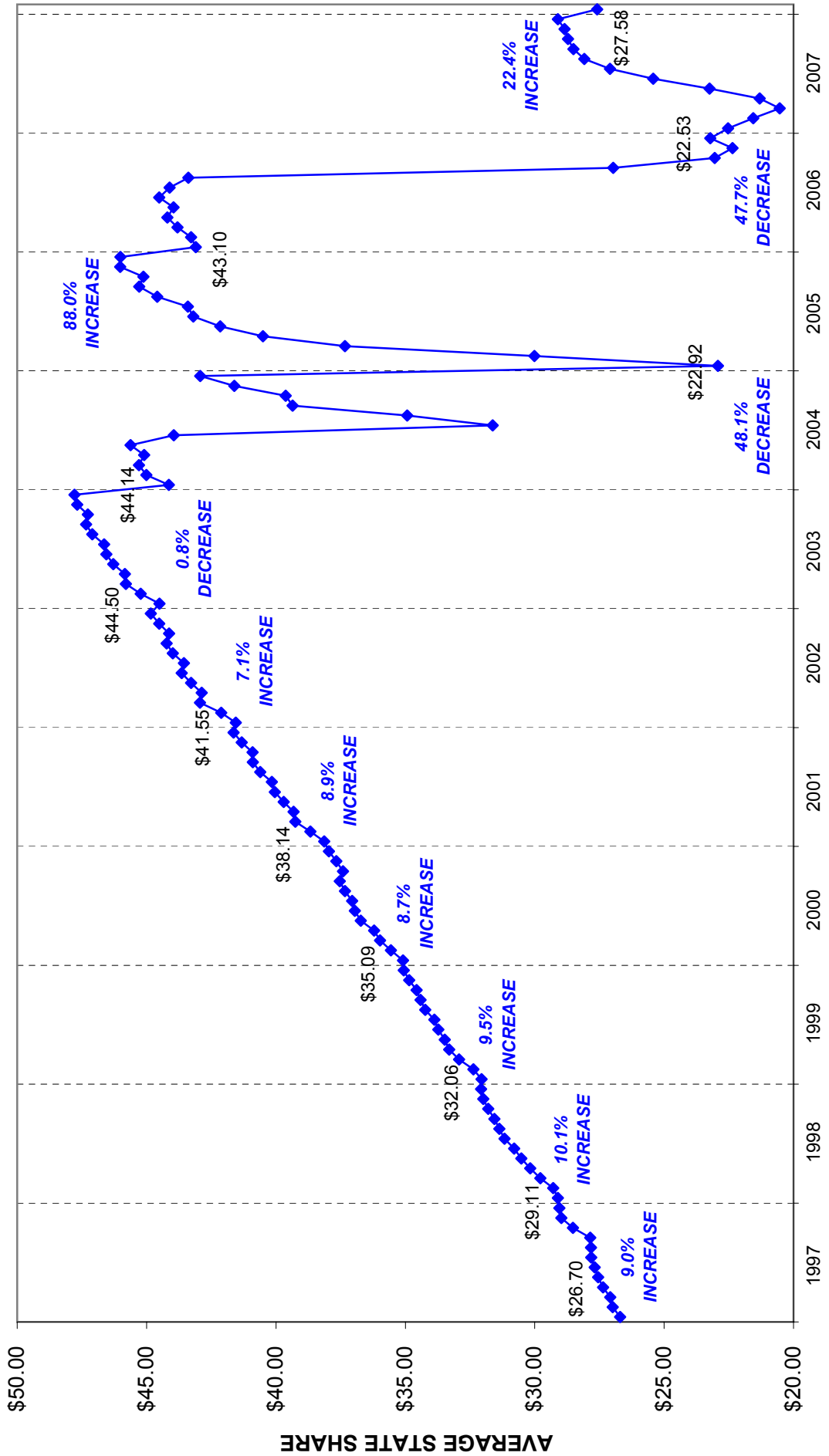
SOURCE: PACE CLAIMS HISTORY (INCLUDES PACE PAID, ORIGINAL CLAIMS; EXCLUDES PACENET CLAIMS)  
 NOTE: PARTICIPATING CARDHOLDERS INCLUDE THOSE WITH ONE OR MORE CLAIMS IN A GIVEN MONTH, BASED ON DATE OF SERVICE.

**FIGURE 2.6B**  
**AVERAGE PRESCRIPTIONS PER PARTICIPATING PACENET CARDHOLDER BY MONTH**  
**JANUARY 1997 - JANUARY 2008**



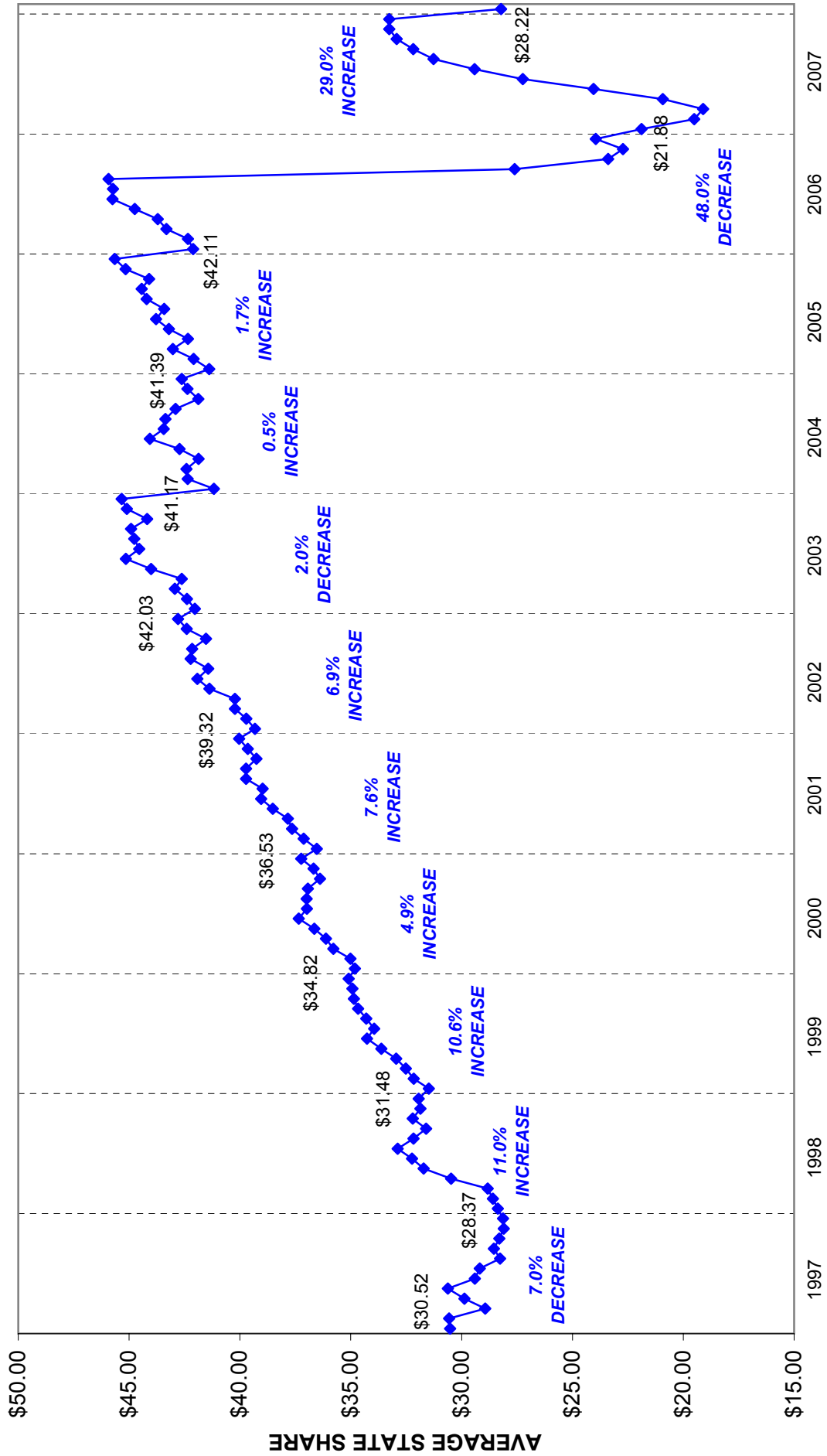
SOURCE: PACENET CLAIMS HISTORY (INCLUDES PACENET PAID, ORIGINAL CLAIMS; EXCLUDES PACE CLAIMS)  
 NOTE: PARTICIPATING CARDHOLDERS INCLUDE THOSE WITH ONE OR MORE CLAIMS IN A GIVEN MONTH, BASED ON DATE OF SERVICE.

**FIGURE 2.7A**  
**PACE AVERAGE STATE SHARE PER CLAIM BY MONTH**  
**JANUARY 1997 - JANUARY 2008**



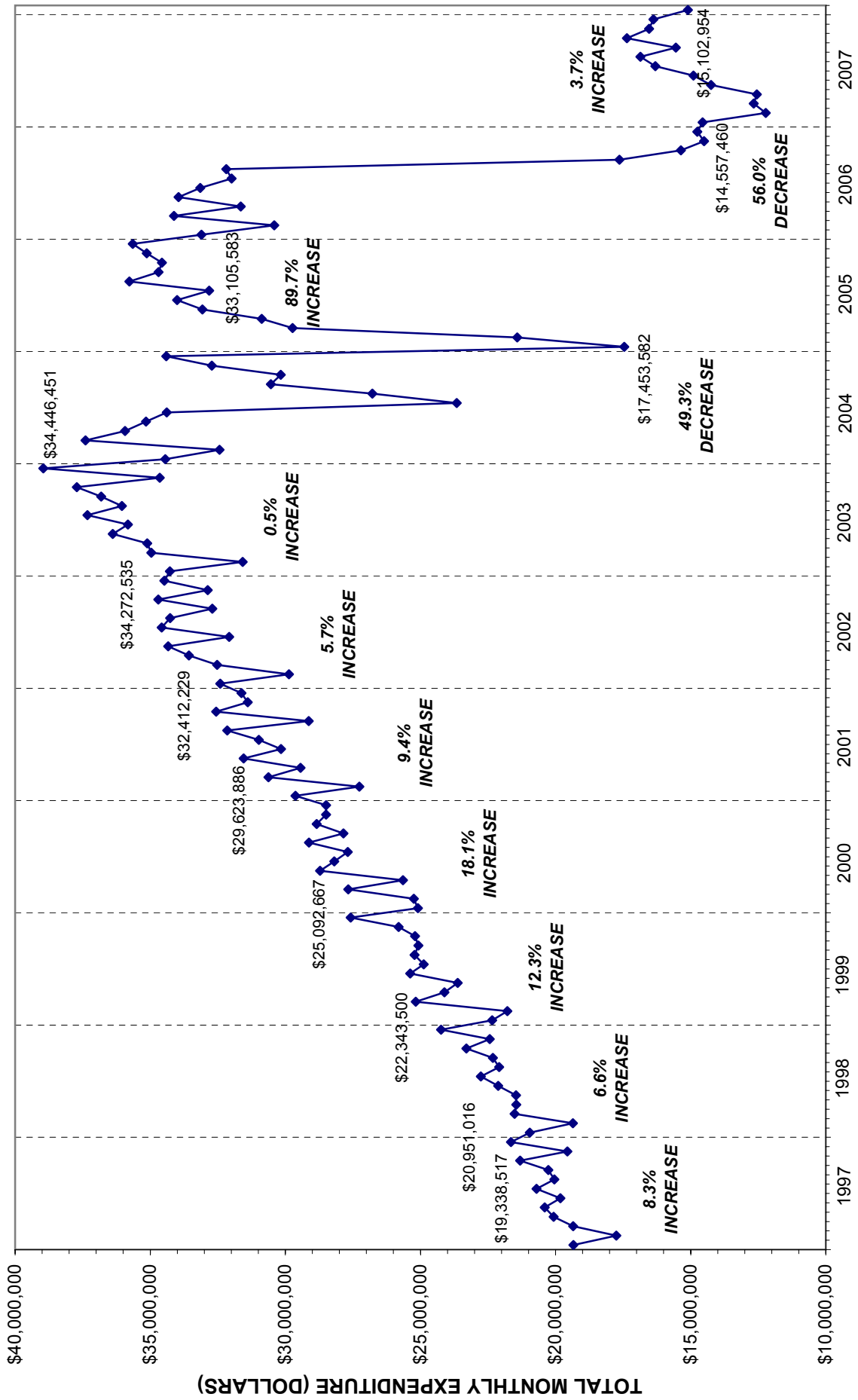
SOURCE: PACE CLAIMS HISTORY  
 NOTE: INCLUDES PAID; ORIGINAL CLAIMS BASED ON DATE OF SERVICE; EXCLUDES PACENET CLAIMS.

**FIGURE 2.7B**  
**PACENET AVERAGE STATE SHARE PER COPAID CLAIM BY MONTH**  
**JANUARY 1997 - JANUARY 2008**



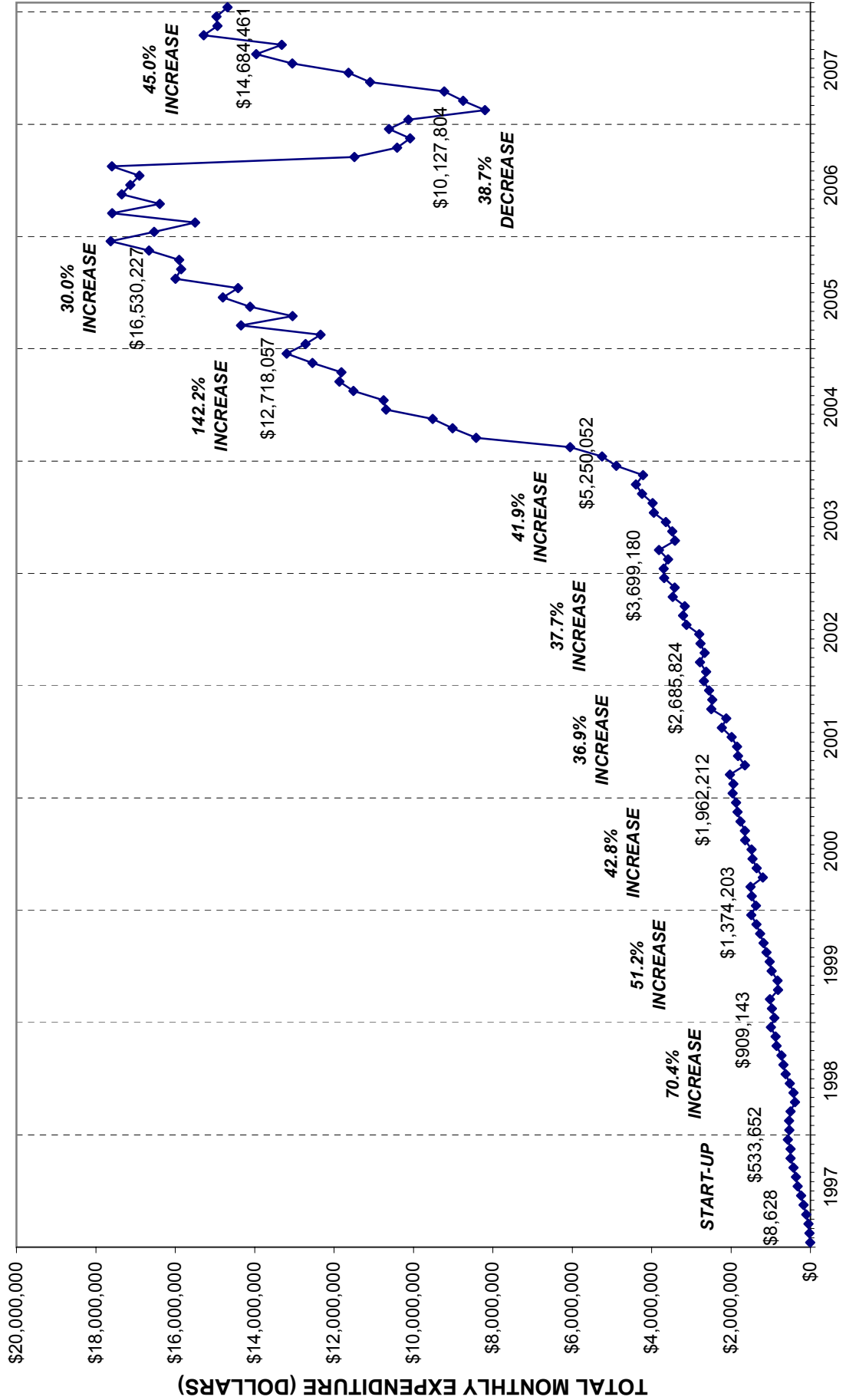
SOURCE: PACENET CLAIMS HISTORY  
 NOTE: INCLUDES ONLY PACENET COPAID, ORIGINAL CLAIMS BASED ON DATE OF SERVICE; EXCLUDES PACENET DEDUCTIBLE AND PACE CLAIMS.

**FIGURE 2.8A**  
**TOTAL PACE EXPENDITURE BY MONTH**  
**JANUARY 1997 - JANUARY 2008**



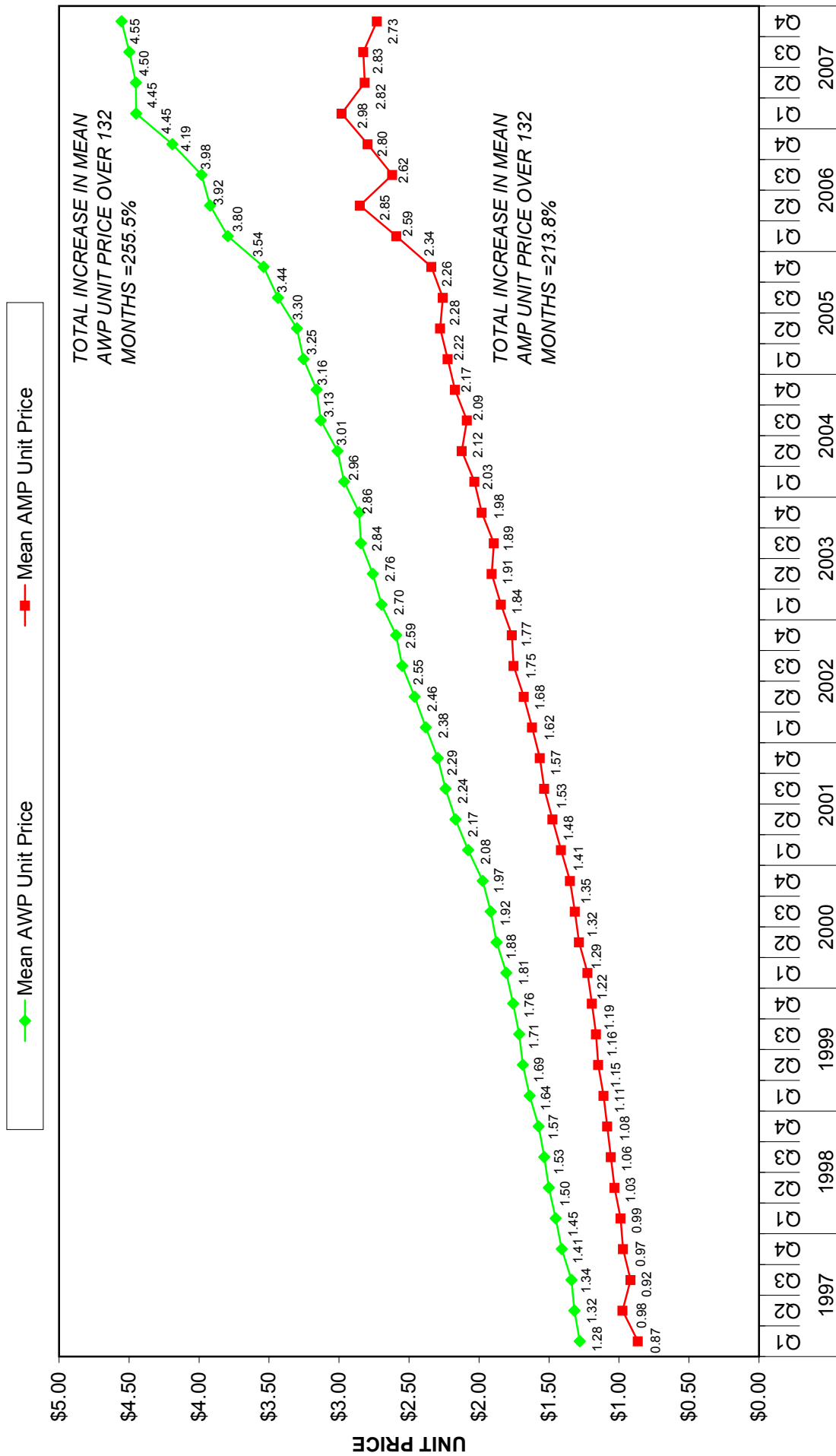
SOURCE: PACE CLAIMS HISTORY  
 NOTE: INCLUDES PAID, ORIGINAL CLAIMS BASED ON DATE OF SERVICE; EXCLUDES PACENET CLAIMS.

**FIGURE 2.8B**  
**TOTAL PACENET EXPENDITURE BY MONTH**  
**JANUARY 1997 - JANUARY 2008**



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

**FIGURE 2.9**  
**PACE AVERAGE WHOLESALE PRICE (AWP) AND AVERAGE MANUFACTURER'S PRICE (AMP)\***  
**BY QUARTER**  
**JANUARY 1997 - DECEMBER 2007**



\* DATA INCLUDE CLAIMS FOR NDC'S FOR WHICH REBATE AMP DATA ARE AVAILABLE FOR ANY QUARTER IN 1997-2007.  
 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 2007**

SEMI-ANNUAL PERIOD	NUMBER OF WEEKS	<u>PACE</u>		AVERAGE STATE SHARE PER PROCESSED CLAIM *	<u>PACENET</u>		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
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

**TABLE 3.1  
PACE AND PACENET CLAIMS AND EXPENDITURES PAID BY FISCAL YEAR  
JULY 1984 - DECEMBER 2007**

SEMI-ANNUAL PERIOD	NUMBER OF WEEKS	PACE		AVERAGE STATE SHARE PER PROCESSED CLAIM *	NUMBER OF PROCESSED CLAIMS	PACENET	
		NUMBER OF PROCESSED CLAIMS	EXPENDITURES			EXPENDITURES	AVERAGE STATE SHARE PER PROCESSED CLAIM **
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
24 <sup>th</sup> YEAR-TO-DATE TOTAL		3,491,014	\$99,077,033	\$28.38	2,688,584	\$85,271,656	\$31.72
CUMULATIVE TOTAL		218,624,644	\$6,001,565,152	\$27.45	23,881,094	\$770,761,851	\$32.27

\* 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.

**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 2007:** 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 2007:** Average state share per claim reflects savings from Medicare Part D.

**TABLE 3.2A  
PACE HIGH EXPENDITURE AND HIGH VOLUME CLAIMS  
JANUARY - DECEMBER 2007**

<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 EXPIRATION</u>	<u>PRODUCT DESCRIPTION</u>
ER SQUIBB AND SONS, INC.	PLAVIX	75 MG	\$6,890,220.26	3.84	1	131,073	1.83	1	06/19	ANTIPLATELET AGENT
WYETH PHARMACEUTICALS	PROTONIX	40 MG	\$5,769,791.68	3.22	2	101,152	1.41	2	12/16	GASTROINTESTINAL AGENT
ASTRA ZENECA	NEXIUM	40 MG	\$5,504,897.37	3.07	3	85,965	1.20	5	05/20	GASTROINTESTINAL AGENT
TAP PHARMACEUTICALS	PREVACID	30 MG	\$3,824,189.84	2.13	4	48,548	0.68	10	02/10	GASTROINTESTINAL AGENT
PFIZER, INC.	LIPITOR	20 MG	\$3,695,992.49	2.06	5	75,589	1.06	6	01/17	LIPID-LOWERING AGENT
PFIZER, INC.	LIPITOR	10 MG	\$3,310,409.11	1.84	6	97,540	1.36	3	01/17	LIPID-LOWERING AGENT
EISAI, INC.	ARICEPT	10 MG	\$3,186,985.31	1.78	7	45,458	0.64	12	03/19	ALZHEIMER'S DISEASE TREATMENT
MERCK & CO., INC.	FOSAMAX	70 MG	\$2,657,313.34	1.48	8	86,670	1.21	4	01/19	OSTEOPOROSIS TREATMENT
PFIZER, INC.	CELEBREX	200 MG	\$2,371,817.42	1.32	9	45,154	0.63	13	04/18	ANTI-INFLAMMATORY/ANALGESIC
GLAXOSMITHKLINE	ADVAIR DISKUS	250/50 MG	\$2,365,910.75	1.32	10	30,852	0.43	30	09/11	RESPIRATORY AGENT
BOEHRINGER INGELHEIM	SPIRIVA	18 MCG	\$1,989,581.36	1.11	11	36,395	0.51	21	03/23	RESPIRATORY AGENT
PFIZER, INC.	LIPITOR	40 MG	\$1,943,764.94	1.08	12	40,221	0.56	15	01/17	LIPID-LOWERING AGENT
MERCK & CO., INC.	ZETIA	10 MG	\$1,883,320.65	1.05	13	56,273	0.79	8	07/22	LIPID-LOWERING AGENT
EISAI, INC.	ACIPHEX	20 MG	\$1,859,725.98	1.04	14	21,018	0.29	50	05/13	GASTROINTESTINAL AGENT
PROCTER & GAMBLE	ACTONEL	35 MG	\$1,821,412.52	1.02	15	55,693	0.78	9	08/18	OSTEOPOROSIS TREATMENT
FOREST PHARMACEUTICALS, INC.	NAMENDA	10 MG	\$1,799,845.18	1.00	16	27,621	0.39	39	04/10	ALZHEIMER'S DISEASE TREATMENT
PFIZER, INC.	DETROL LA	4 MG	\$1,623,235.61	0.90	17	34,787	0.49	22	05/20	OVERACTIVE BLADDER TREATMENT
FOREST PHARMACEUTICALS, INC.	LEXAPRO	10 MG	\$1,506,165.34	0.84	18	37,656	0.53	20	01/23	ANTIDEPRESSANT
TAKEDA PHARMACEUTICALS	ACTOS	30 MG	\$1,413,626.91	0.79	19	18,577	0.26	60	08/16	DIABETES TREATMENT
EISAI, INC.	ARICEPT	5 MG	\$1,378,205.76	0.77	20	20,093	0.28	53	03/19	ALZHEIMER'S DISEASE TREATMENT
PFIZER, INC.	XALATAN	5 %	\$1,333,206.40	0.74	21	41,606	0.58	14	03/11	GLAUCOMA TREATMENT
MERCK & CO., INC.	SINGULAIR	10 MG	\$1,232,001.78	0.69	22	29,275	0.41	36	08/12	RESPIRATORY AGENT
ASTRA ZENECA	ARIMIDEX	1 MG	\$1,161,716.57	0.65	23	11,046	0.15	125	06/10	CHEMOTHERAPEUTIC AGENT
TAKEDA PHARMACEUTICALS	ACTOS	45 MG	\$1,148,283.10	0.64	24	14,567	0.20	83	08/16	DIABETES TREATMENT
ELI LILLY AND COMPANY	EVISTA	60 MG	\$1,141,397.37	0.64	25	29,837	0.42	33	03/17	OSTEOPOROSIS TREATMENT
ELI LILLY AND COMPANY	FORTEO	250 MCG	\$1,140,435.23	0.64	26	2,595	0.04	561	08/19	OSTEOPOROSIS TREATMENT
BOEHRINGER INGELHEIM	FLOWAX	0.4 MG	\$973,674.04	0.54	27	29,827	0.42	34	10/09	FOR PROSTATE HYPERPLASIA
SANOFLAVENTIS	LANTUS SOLOSTAR	100 U	\$970,336.31	0.54	28	23,123	0.32	45	03/15	DIABETES TREATMENT
HOFFMANN-LA ROCHE, INC.	BONIVA	150 MG	\$948,671.68	0.53	29	19,503	0.27	55	05/23	OSTEOPOROSIS TREATMENT
NOVARTIS PHARMACEUTICAL	DIOVAN	160 MG	\$931,951.83	0.52	30	32,513	0.45	26	12/17	ANGIOTENSIN II RECEPTOR ANTAG.

**TABLE 3.2A  
PACE HIGH EXPENDITURE AND HIGH VOLUME CLAIMS  
JANUARY - DECEMBER 2007**

MANUFACTURER	PRODUCT	STRENGTH	EXPENDITURE	% OF ALL EXPENDITURES		RANK BY VOLUME	EXCLUSIVITY/ PATENT EXPIRATION	PRODUCT DESCRIPTION
				TURES	CLAIMS			
JOHNSON & JOHNSON	PROCRIT	40000 U	\$891,453.48	0.50	1,215	965	—	HEMATOPOIETIC AGENT
ABBOTT LABORATORIES	TRICOR	145 MG	\$888,758.06	0.50	20,864	51	02/23	LIPID-LOWERING AGENT
GLAXOSMITHKLINE	ADVAIR DISKUS	500/50 MG	\$860,861.36	0.48	8,502	173	09/11	RESPIRATORY AGENT
MERCK & CO., INC.	VYTORIN	10/40 MG	\$831,350.33	0.46	19,434	56	12/23	LIPID-LOWERING AGENT
NOVARTIS PHARMACEUTICAL	DIOVAN	80 MG	\$794,112.90	0.44	30,974	29	12/17	ANGIOTENSIN II RECEPTOR ANTAG.
PFIZER, INC.	NORVASC	5 MG	\$774,231.04	0.43	33,004	25	09/08	CALCIUM CHANNEL BLOCKER
MERCK & CO., INC.	COZAAR	50 MG	\$758,505.23	0.42	22,151	47	09/14	ANGIOTENSIN II RECEPTOR ANTAG.
PFIZER, INC.	ZYRTEC	10 MG	\$743,111.40	0.41	18,576	61	—	ANTIHISTAMINE AGENT
BOEHRINGER INGELHEIM	COMBIVENT		\$729,215.22	0.41	21,038	49	06/15	RESPIRATORY AGENT
MERCK & CO., INC.	VYTORIN	10/20 MG	\$702,405.58	0.39	17,585	63	12/23	LIPID-LOWERING AGENT
PFIZER, INC.	NORVASC	10 MG	\$688,885.83	0.38	24,725	41	09/08	CALCIUM CHANNEL BLOCKER
MERCK & CO., INC.	JANUVIA	100 MG	\$677,038.08	0.38	6,467	237	04/26	DIABETES TREATMENT
ASTRA ZENECA	TOPROL XL	50 MG	\$659,950.91	0.37	45,579	11	01/11	BETA BLOCKER
JOHNSON & JOHNSON	PROCRIT	20000 U	\$654,660.89	0.36	1,414	866	—	HEMATOPOIETIC AGENT
MERCK & CO., INC.	COSOPT OCUMETER PLUS		\$653,595.57	0.36	12,647	100	04/11	GLAUCOMA TREATMENT
NOVARTIS PHARMACEUTICAL	DIOVAN HCT	12.5/1 MG	\$641,067.59	0.36	20,656	52	12/17	ANGIOTENSIN II RECEPTOR ANTAG.
BOEHRINGER INGELHEIM	AGGRENOX		\$637,935.02	0.36	11,590	114	01/17	ANTIPLATELET AGENT
TAKEDA PHARMACEUTICALS	ACTOS	15 MG	\$637,290.68	0.36	14,287	84	08/16	DIABETES TREATMENT
GLAXOSMITHKLINE	AVANDIA	4 MG	\$620,400.13	0.35	13,689	91	08/17	DIABETES TREATMENT
MERCK & CO., INC.	COZAAR	100 MG	\$617,240.18	0.34	15,923	70	09/14	ANGIOTENSIN II RECEPTOR ANTAG.
ASTRA ZENECA	TOPROL XL	100 MG	\$589,431.84	0.33	28,901	37	03/11	BETA BLOCKER
TEVA PHARMACEUTICAL (LEMMON)	SIMVASTATIN	20 MG	\$588,706.60	0.33	38,257	19	—	LIPID-LOWERING AGENT
MYLAN PHARMACEUTICALS	OMEPRAZOLE	20 MG	\$567,668.19	0.32	30,986	28	—	GASTROINTESTINAL AGENT
MYLAN PHARMACEUTICALS	AMLODIPINE BESYLATE	5 MG	\$525,384.41	0.29	39,195	18	—	CALCIUM CHANNEL BLOCKER
MYLAN PHARMACEUTICALS	AMLODIPINE BESYLATE	10 MG	\$516,585.09	0.29	29,775	35	—	CALCIUM CHANNEL BLOCKER
TEVA PHARMACEUTICAL (LEMMON)	SIMVASTATIN	40 MG	\$502,130.94	0.28	30,721	31	—	LIPID-LOWERING AGENT
TEVA PHARMACEUTICAL (LEMMON)	POTASSIUM CHLORIDE	20 MEQ	\$122,008.06	0.07	26,773	40	—	POTASSIUM REPLACEMENT
ETHEX CORPORATION	ISOSORBIDE MONONITRATE	30 MG	\$119,470.49	0.07	22,445	46	—	ANTI-ANGINAL AGENT
UPSHER-SMITH LABORATORIES	KLOR-CON M20	20 MEQ	\$103,054.96	0.06	24,623	42	—	POTASSIUM REPLACEMENT
MYLAN PHARMACEUTICALS	LEVOTHYROXINE SODIUM	0.075 MG	\$51,613.43	0.03	33,630	23	—	SYNTHETIC THYROID AGENT

**TABLE 3.2A**  
**PACE HIGH EXPENDITURE AND HIGH VOLUME CLAIMS**  
**JANUARY - DECEMBER 2007**

<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 EXPIRATION</u>	<u>PRODUCT DESCRIPTION</u>
MYLAN PHARMACEUTICALS	LEVOTHYROXINE SODIUM	0.1 MG	\$51,161.46	0.03	485	30,410	0.43	32	—	SYNTHETIC THYROID AGENT
MYLAN PHARMACEUTICALS	LEVOTHYROXINE SODIUM	0.05 MG	\$50,573.81	0.03	487	39,909	0.56	16	—	SYNTHETIC THYROID AGENT
MALLINCKRODT, INC.	APAP/HYDROCODONE	500/5 MG	\$15,913.35	0.01	983	21,519	0.30	48	—	ANALGESIC NARCOTIC AGENT
MYLAN PHARMACEUTICALS	DIGITEK	0.125 MG	\$13,274.82	0.01	1102	31,977	0.45	27	—	CARDIAC GLYCOSIDE
MYLAN PHARMACEUTICALS	METOPROLOL TARTRATE	25 MG	\$9,685.60	0.01	1305	28,632	0.40	38	—	BETA BLOCKER
MYLAN PHARMACEUTICALS	METOPROLOL TARTRATE	50 MG	\$7,606.47	0.00	1458	39,764	0.56	17	—	BETA BLOCKER
MYLAN PHARMACEUTICALS	FUROSEMIDE	40 MG	\$5,677.08	0.00	1706	57,923	0.81	7	—	LOOP DIURETIC
MYLAN PHARMACEUTICALS	FUROSEMIDE	20 MG	\$1,657.57	0.00	3008	33,420	0.47	24	—	LOOP DIURETIC
IVAX PHARMACEUTICALS	HYDROCHLOROTHIAZIDE	25 MG	\$143.35	0.00	5858	23,523	0.33	44	—	THIAZIDE DIURETIC
QUALITEST PRODUCTS	HYDROCHLOROTHIAZIDE	25 MG	\$133.28	0.00	5925	24,386	0.34	43	—	THIAZIDE DIURETIC
	<b>TOTAL</b>									
	70 PRODUCTS		\$86,082,036.41	47.97		2,327,316	32.56			
	<b>TOTAL</b>									
	ALL PRODUCTS		\$179,440,820.50	100.00		7,148,735	100.00			

NOTES: PATENT AND EXCLUSIVITY EXPIRATION INFORMATION TAKEN FROM USPD/ APPROVED DRUG PRODUCTS AND LEGAL REQUIREMENTS, VOLUME III, 24TH EDITION (2007).  
 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 2007**

<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>% OF TOTAL</u>	<u>CLAIMS</u>	<u>% OF TOTAL</u>	<u>RANK BY VOLUME</u>
ER SQUIBB AND SONS, INC.	PLAVIX	75 MG	\$7,469,371.46	\$6,305,759.19	\$13,775,130.65	4.44	1	4.44	108,913	2.05	1
WYETH PHARMACEUTICALS	PROTONIX	40 MG	\$3,534,276.80	\$4,383,269.40	\$7,917,546.20	3.09	2	3.09	64,484	1.22	3
ASTRA ZENECA	NEXIUM	40 MG	\$4,862,951.34	\$4,332,185.65	\$9,195,136.99	3.05	3	3.05	60,827	1.15	4
PFIZER, INC.	LIPITOR	20 MG	\$3,580,919.03	\$2,675,524.89	\$6,256,443.92	1.88	4	1.88	55,190	1.04	6
TAP PHARMACEUTICALS	PREVACID	30 MG	\$2,173,376.14	\$2,517,110.13	\$4,690,486.27	1.77	5	1.77	30,529	0.58	15
EISAI, INC.	ARICEPT	10 MG	\$2,813,269.36	\$2,495,519.92	\$5,308,789.28	1.76	6	1.76	34,242	0.65	11
PFIZER, INC.	LIPITOR	10 MG	\$3,377,722.16	\$2,225,157.58	\$5,602,879.74	1.57	7	1.57	70,447	1.33	2
GLAXOSMITHKLINE	ADVAIR DISKUS	250/50 MG	\$2,309,398.91	\$2,160,513.54	\$4,469,912.45	1.52	8	1.52	25,124	0.47	23
BOEHRINGER INGELHEIM	SPIRIVA	18 MCG	\$2,086,613.34	\$1,917,992.17	\$4,004,605.51	1.35	9	1.35	31,001	0.58	14
MERCK AND CO., INC.	ZETIA	10 MG	\$2,526,591.48	\$1,715,042.03	\$4,241,633.51	1.21	10	1.21	48,853	0.92	7
MERCK AND CO., INC.	FOSAMAX	70 MG	\$2,870,867.51	\$1,692,467.01	\$4,563,334.52	1.19	11	1.19	57,978	1.09	5
PFIZER, INC.	CELEBREX	200 MG	\$1,774,581.61	\$1,614,055.78	\$3,388,637.39	1.14	12	1.14	29,363	0.55	16
PFIZER, INC.	LIPITOR	40 MG	\$1,984,517.80	\$1,577,799.06	\$3,562,316.86	1.11	13	1.11	31,726	0.60	13
FOREST PHARMACEUTICALS, INC.	NAMENDA	10 MG	\$1,560,205.45	\$1,468,753.28	\$3,028,958.73	1.03	14	1.03	22,339	0.42	27
BOEHRINGER INGELHEIM	FLOMAX	0.4 MG	\$1,847,394.86	\$1,272,282.66	\$3,119,677.52	0.90	15	0.90	37,897	0.71	10
TAKEDA PHARMACEUTICALS	ACTOS	30 MG	\$1,322,618.85	\$1,268,833.76	\$2,591,452.61	0.89	16	0.89	14,748	0.28	51
EISAI, INC.	ACIPHEX	20 MG	\$731,525.38	\$1,230,174.35	\$1,961,699.73	0.87	17	0.87	12,943	0.24	63
ASTRA ZENECA	ARIMIDEX	1 MG	\$1,268,567.52	\$1,176,144.10	\$2,444,711.62	0.83	18	0.83	9,646	0.18	94
TAKEDA PHARMACEUTICALS	ACTOS	45 MG	\$1,196,890.39	\$1,175,855.76	\$2,372,746.15	0.83	19	0.83	12,494	0.24	67
PROCTER & GAMBLE	ACTONEL	35 MG	\$1,836,093.09	\$1,173,329.00	\$3,009,422.09	0.83	20	0.83	38,145	0.72	9
ELI LILLY AND COMPANY	FORTEO	250 MCG	\$698,949.49	\$1,139,181.21	\$1,838,130.70	0.80	21	0.80	2,679	0.05	426
SANOFI-AVENTIS	LANTUS	100 U	\$1,280,730.40	\$1,124,993.17	\$2,405,723.57	0.79	22	0.79	22,287	0.42	28
PFIZER, INC.	DETROL LA	4 MG	\$1,334,660.59	\$1,112,816.22	\$2,447,476.81	0.78	23	0.78	23,630	0.45	26
FOREST PHARMACEUTICALS, INC.	LEXAPRO	10 MG	\$1,130,558.95	\$1,072,805.75	\$2,203,364.70	0.76	24	0.76	28,602	0.54	17
MERCK AND CO., INC.	SINGULAIR	10 MG	\$1,138,462.18	\$1,030,064.83	\$2,168,527.01	0.73	25	0.73	21,895	0.41	31
ABBOTT LABORATORIES	TRICOR	145 MG	\$1,123,018.52	\$966,891.62	\$2,089,910.14	0.68	26	0.68	20,224	0.38	37
EISAI, INC.	ARICEPT	5 MG	\$1,071,703.20	\$940,635.46	\$2,012,338.66	0.66	27	0.66	12,648	0.24	65
GLAXOSMITHKLINE	ADVAIR DISKUS	500/50 MG	\$812,881.09	\$913,183.94	\$1,726,065.03	0.64	28	0.64	7,121	0.13	147
JOHNSON & JOHNSON	PROCRIT	40000 U	\$771,211.28	\$868,277.31	\$1,639,488.59	0.61	29	0.61	1,259	0.02	778
PFIZER, INC.	XALATAN	5 %	\$940,179.05	\$764,617.95	\$1,704,797.00	0.54	30	0.54	28,114	0.53	19

**TABLE 3.2B  
PACENET HIGH EXPENDITURE AND HIGH VOLUME CLAIMS  
JANUARY - DECEMBER 2007**

<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>
ELI LILLY AND COMPANY	EVISTA	60 MG	\$1,155,336.80	\$760,489.97	\$1,915,826.77	0.54	31	20,480	0.39	35
MERCK AND CO., INC.	VYTORIN	10/40 MG	\$833,064.13	\$681,921.01	\$1,514,985.14	0.48	32	16,723	0.32	45
ABBOTT LABORATORIES	HUMIRA	40 MG	\$421,280.21	\$662,379.96	\$1,083,660.17	0.47	33	719	0.01	1137
NOVARTIS PHARMACEUTICAL	DIOVAN	160 MG	\$977,571.79	\$654,732.37	\$1,632,304.16	0.46	34	23,749	0.45	25
HOFFMANN-LA ROCHE, INC.	BONIVA	150 MG	\$420,529.07	\$631,660.95	\$1,052,190.02	0.44	35	13,126	0.25	59
BOEHRINGER INGELHEIM	COMBIVENT		\$834,525.19	\$627,798.19	\$1,462,323.38	0.44	36	15,029	0.28	50
MERCK AND CO., INC.	JANUVIA	100 MG	\$250,674.81	\$588,071.75	\$838,746.56	0.41	37	5,344	0.10	208
BOEHRINGER INGELHEIM	AGGRENEX		\$657,681.01	\$575,093.59	\$1,232,774.60	0.40	38	9,584	0.18	96
AMGEN, INC.	ENBREL	50 MG	\$371,722.71	\$556,888.74	\$928,611.45	0.39	39	589	0.01	1307
TAKEDA PHARMACEUTICALS	ACTOS	15 MG	\$689,907.60	\$555,003.10	\$1,244,910.70	0.39	40	11,098	0.21	75
MERCK AND CO., INC.	VYTORIN	10/20 MG	\$718,474.21	\$551,895.44	\$1,270,369.65	0.39	41	14,043	0.26	54
ASTRA ZENECA	CASODEX	50 MG	\$467,900.64	\$546,940.91	\$1,014,841.55	0.39	42	2,250	0.04	493
NOVARTIS PHARMACEUTICAL	DIOVAN	80 MG	\$830,691.76	\$544,978.35	\$1,375,670.11	0.38	43	22,199	0.42	30
PFIZER, INC.	LIPITOR	80 MG	\$613,389.15	\$540,800.52	\$1,154,189.67	0.38	44	10,466	0.20	83
GLAXOSMITHKLINE	AVANDIA	4 MG	\$809,802.40	\$538,418.01	\$1,348,220.41	0.38	45	10,903	0.21	79
GLAXOSMITHKLINE	ADVAIR DISKUS	100/50 MG	\$625,905.11	\$522,626.88	\$1,148,531.99	0.37	46	7,966	0.15	129
NOVARTIS PHARMACEUTICAL	FEMARA	2.5 MG	\$474,226.35	\$516,883.52	\$991,109.87	0.36	47	3,677	0.07	309
GLAXOSMITHKLINE	AVANDIA	8 MG	\$677,117.32	\$515,271.87	\$1,192,389.19	0.36	48	6,702	0.13	158
GLAXOSMITHKLINE	COREG	6.25 MG	\$726,356.51	\$505,159.22	\$1,231,515.73	0.36	49	10,795	0.20	80
WYETH PHARMACEUTICALS	EFFEXOR-XR	75 MG	\$557,985.66	\$503,116.85	\$1,061,102.51	0.35	50	8,227	0.16	123
PFIZER, INC.	NORVASC	5 MG	\$723,233.59	\$456,664.65	\$1,179,898.24	0.32	56	22,205	0.42	29
ASTRA ZENECA	TOPROL XL	100 MG	\$578,465.00	\$387,441.79	\$965,906.79	0.27	67	21,183	0.40	32
PFIZER, INC.	NORVASC	10 MG	\$696,506.43	\$384,925.92	\$1,081,432.35	0.27	69	15,709	0.30	48
TEVA PHARMACEUTICAL (LEMMON)	SIMVASTATIN	20 MG	\$677,887.78	\$372,249.73	\$1,050,137.51	0.26	70	26,762	0.50	21
MYLAN PHARMACEUTICALS	AMLODIPINE BESYLATE	5 MG	\$705,106.92	\$370,229.51	\$1,075,336.43	0.26	71	27,429	0.52	20
MYLAN PHARMACEUTICALS	OMEPRAZOLE	20 MG	\$482,064.01	\$369,394.15	\$851,458.16	0.26	72	19,521	0.37	41
ASTRA ZENECA	TOPROL XL	50 MG	\$633,509.11	\$361,917.30	\$995,426.41	0.25	73	31,832	0.60	12
TEVA PHARMACEUTICAL (LEMMON)	SIMVASTATIN	40 MG	\$584,521.62	\$344,523.15	\$929,044.77	0.24	77	23,961	0.45	24
MYLAN PHARMACEUTICALS	AMLODIPINE BESYLATE	10 MG	\$613,382.51	\$331,767.96	\$945,150.47	0.23	82	19,757	0.37	39
TEVA PHARMACEUTICAL (LEMMON)	POTASSIUM CHLORIDE	20 MEQ	\$224,891.32	\$67,947.60	\$292,838.92	0.05	347	18,155	0.34	42

**TABLE 3.2B  
PACENET HIGH EXPENDITURE AND HIGH VOLUME CLAIMS  
JANUARY - DECEMBER 2007**

<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>
UPsher-SMITH LABORATORIES	KLOR-CON M20	20 MEQ	\$215,762.20	\$61,245.44	\$277,007.64	0.04	381	17,881	0.34	43
ETHEX CORPORATION	ISOSORBIDE MONONITRATE	30 MG	\$132,960.20	\$59,895.23	\$192,855.43	0.04	386	15,154	0.29	49
MYLAN PHARMACEUTICALS	LEVOTHYROXINE SODIUM	0.1 MG	\$170,448.46	\$17,057.68	\$187,506.14	0.01	799	20,044	0.38	38
MYLAN PHARMACEUTICALS	LEVOTHYROXINE SODIUM	0.075 MG	\$176,134.31	\$14,667.66	\$190,801.97	0.01	875	21,169	0.40	33
MYLAN PHARMACEUTICALS	LEVOTHYROXINE SODIUM	0.05 MG	\$200,501.68	\$12,596.58	\$213,098.26	0.01	938	25,285	0.48	22
MALLINCKRODT, INC.	APAP/HYDROCODONE	500/5 MG	\$110,278.25	\$6,251.27	\$116,529.52	0.00	1354	16,334	0.31	47
MYLAN PHARMACEUTICALS	DIGITEK	0.125 MG	\$121,889.94	\$1,856.63	\$123,746.57	0.00	2439	20,237	0.38	36
MYLAN PHARMACEUTICALS	METOPROLOL TARTRATE	25 MG	\$111,453.79	\$1,022.85	\$112,476.64	0.00	3108	19,540	0.37	40
MYLAN PHARMACEUTICALS	FUROSEMIDE	40 MG	\$193,972.02	\$630.37	\$194,602.39	0.00	3614	38,987	0.74	8
MYLAN PHARMACEUTICALS	METOPROLOL TARTRATE	50 MG	\$157,388.01	\$291.21	\$157,679.22	0.00	4455	28,287	0.53	18
MYLAN PHARMACEUTICALS	FUROSEMIDE	20 MG	\$93,195.18	\$160.14	\$93,355.32	0.00	5090	21,028	0.40	34
QUALITEST PRODUCTS	HYDROCHLOROTHIAZIDE	25 MG	\$73,333.27	\$4.73	\$73,338.00	0.00	7281	16,555	0.31	46
IVAX PHARMACEUTICALS	HYDROCHLOROTHIAZIDE	25 MG	\$72,755.27	\$4.54	\$72,759.81	0.00	7296	16,993	0.32	44
	TOTAL		\$82,293,890.53	\$69,514,114.01	\$151,808,004.54	48.94		1,683,025	31.74	
	73 PRODUCTS									
	TOTAL		\$176,073,084.55	\$142,053,071.93	\$318,126,156.48	100.00		5,302,225	100.00	
	ALL PRODUCTS									

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  
2006-2007**

MANUFACTURER	PRODUCT	STRENGTH	2007				2006				PERCENT CHANGE: 2006-2007				
			EXPENDITURE	% CLAIMS	COST PER CLAIM	USERS	EXPENDITURE	% CLAIMS	COST PER CLAIM	USERS	EXPENDITURE	% CLAIMS	CHANGE COST PER CLAIM	CHANGE PER USER	
<b>ANTI-INFECTIVE AGENTS</b>															
JOHNSON & JOHNSON	LEVAQUIN (LEVOFLOXACIN)	500 MG	\$471,802	13.4	\$42.70	8,557	\$859,320	13.1	\$84.77	10,126	-45.1	-16.7	-34.1	-15.5	
VIOPHARMA, INC.	VANOCIN HCL PULVULES	250 MG	\$243,596	6.9	\$796.06	179	\$380,677	5.5	\$1,182.55	170	0.1	0.3	-32.7	5.3	
SCHERING	AVELOX (MOXIFLOXACIN)	400 MG	\$235,290	6.7	\$35.56	5,232	\$386,344	5.6	\$53.84	5,319	6.1	-2.8	-33.9	-1.6	
MUTUAL	QUALAQUIN (QUININE)	324 MG	\$171,550	4.8	\$83.89	636	\$300	0.0	\$42.83	5	0.0	57,119.5	29,114.3	95.9	12,020.0
PFIZER	ZYVOX (LINEZOLID)	600 MG	\$160,224	4.5	\$805.15	172	\$177,034	2.7	\$1,134.83	127	0.1	27.6	-29.1	35.4	
	ALL OTHER		\$2,219,799	63.3	\$13.53	69,224	\$4,763,743	72.9	\$22.62	81,550	94.8	-53.4	-22.1	-40.2	-15.1
	TOTAL		\$3,502,259	100.0	\$19.01	74,100	\$6,527,418	100.0	\$28.24	85,972	100.0	-46.3	-20.3	-32.7	-13.7
<b>AUTONOMIC DRUGS</b>															
EISAI, INC.	ARICEPT (DONEPEZIL)	10 MG	\$3,186,985	30.7	\$70.11	7,080	\$4,400,961	28.8	\$100.64	6,384	14.3	-27.6	4.0	-30.3	10.9
BOEHRINGER INGELHEIM SPIRIVA (TIOTROPIUM)		18 MCG	\$1,989,581	19.2	\$54.67	7,353	\$2,487,609	16.3	\$77.19	6,575	14.8	-20.0	12.9	-29.2	11.8
EISAI, INC.	ARICEPT (DONEPEZIL)	5 MG	\$1,378,206	13.3	\$68.59	4,438	\$2,254,597	14.7	\$103.28	4,595	10.3	-38.9	-8.0	-33.6	-3.4
BOEHRINGER INGELHEIM COMBIVENT (ALBUTEROL)			\$729,215	7.0	\$34.66	9,000	\$1,773,094	11.6	\$62.64	6,366	14.3	-58.9	-25.7	-44.7	-21.5
NOVARTIS	EXELON (RIVASTIGMINE)	3 MG	\$187,829	1.8	\$82.20	363	\$277,663	1.8	\$111.74	394	0.8	-32.4	-8.0	-26.4	-7.9
	ALL OTHER		\$2,878,243	27.8	\$26.96	27,913	\$4,062,355	26.6	\$32.40	30,248	68.1	-29.1	-14.8	-16.8	-7.7
	TOTAL		\$10,350,059	100.0	\$44.61	42,515	\$15,256,279	100.0	\$60.08	44,378	100.0	-32.2	-8.6	-25.8	-4.4
<b>BLOOD FORMATION AND COAGULATION AGENTS</b>															
ER SQUIBB	PLAVIX (CLOPIDOGREL)	75 MG	\$6,890,220	54.7	\$13.07	41.0	\$11,648,556	46.9	\$95.85	19,888	42.3	-40.8	7.9	-45.2	-2.2
JOHNSON & JOHNSON	PROCRIT (EPOETIN)	40000 U	\$891,453	7.0	\$733.71	349	\$2,145,050	8.6	\$1,211.21	452	0.9	-58.4	-31.4	-39.4	-22.8
JOHNSON & JOHNSON	PROCRIT (EPOETIN)	20000 U	\$654,661	5.2	\$462.99	422	\$1,153,073	4.6	\$680.68	467	0.9	-43.2	-16.5	-32	-9.6
BOEHRINGER INGELHEIM AGGRENOX (ASPIRIN)			\$637,935	5.0	\$55.04	1,807	\$983,728	3.9	\$82.38	1,753	3.7	-35.2	-2.9	-33.2	3.1
APOTEX, INC.	CLOPIDOGREL HYDROGEN SULFATE	75 MG	\$528,178	4.1	\$36.15	7,363	\$2,046,390	8.2	\$51.97	14,017	29.8	-74.2	-62.9	-30.4	-47.5
	ALL OTHER		\$2,974,703	23.6	\$18.69	24,315	\$6,811,285	27.4	\$33.71	27,083	57.7	-56.3	-21.2	-44.6	-10.2
	TOTAL		\$12,577,151	100.0	\$39.42	43,602	\$24,788,081	100.0	\$65.51	46,934	100.0	-49.3	-15.7	-39.8	-15.6
<b>CARDIAC DRUGS</b>															
NOVARTIS	DIOVAN (VALSARTAN)	160 MG	\$931,952	3.5	\$28.66	5,063	\$1,465,544	2.8	\$41.38	5,114	3.6	-36.4	-8.2	-30.7	-1.0
NOVARTIS	DIOVAN (VALSARTAN)	80 MG	\$794,113	2.9	\$25.64	4,824	\$1,309,673	2.5	\$37.19	5,248	3.7	-39.4	-12.1	-31.1	-8.1
PFIZER	NORVASC (AMLODIPINE)	5 MG	\$774,231	2.9	\$23.46	10,672	\$3,970,488	7.6	\$34.29	15,970	11.3	-80.5	-71.5	-31.6	-33.2
MERCK	COZAAR (LOSARTAN)	50 MG	\$758,505	2.8	\$34.24	3,184	\$1,272,284	2.4	\$45.74	3,807	2.7	-40.4	-20.4	-25.1	-16.4
PFIZER	NORVASC (AMLODIPINE)	10 MG	\$688,886	2.5	\$27.86	7,878	\$3,579,385	6.8	\$43.28	11,101	7.9	-80.8	-70.1	-35.6	-29.0
	ALL OTHER		\$22,624,352	85.1	\$14.97	128,720	\$40,453,140	77.7	\$23.16	132,414	94.4	-44.1	-13.5	-35.3	-2.8
	TOTAL		\$26,572,039	100.0	\$16.06	132,813	\$52,050,514	100.0	\$25.47	140,222	100.0	-48.9	-19.0	-36.9	-7.7
<b>LIPID-LOWERING AGENTS</b>															
PFIZER	LIPITOR (ATORVASTATIN)	20 MG	\$3,695,992	17.4	\$48.90	11,164	\$6,394,560	13.4	\$72.08	12,516	14.9	-42.2	-14.8	-32.2	-10.8
PFIZER	LIPITOR (ATORVASTATIN)	10 MG	\$3,310,409	15.6	\$33.94	13,685	\$6,146,733	12.9	\$49.80	16,433	19.6	-46.1	-21.0	-31.8	-16.8
PFIZER	LIPITOR (ATORVASTATIN)	40 MG	\$1,943,765	9.1	\$48.33	6,216	\$3,222,325	6.7	\$72.07	6,559	7.8	-39.7	-10.0	-32.9	-5.2
MERCK	ZETIA (EZETIMIBE)	10 MG	\$1,883,321	8.8	\$33.47	8,431	\$2,759,681	5.8	\$51.80	7,813	9.3	-31.8	5.6	-35.4	7.9
ABBOTT LABORATORIES	TRICOR (FENOFIBRATE)	145 MG	\$888,758	4.1	\$42.60	3,035	\$1,419,063	2.9	\$65.47	2,974	3.5	-37.4	-3.7	-34.9	2.1
	ALL OTHER		\$9,467,611	44.6	\$36.17	55.6	\$27,602,204	58.0	\$69.87	50,444	60.1	-65.7	-7.8	-62.8	5.1
	TOTAL		\$21,189,857	100.0	\$65.65	100.0	\$47,544,566	100.0	\$65.41	83,806	100.0	-55.4	-9.9	-50.5	-1.3

**TABLE 3.3  
ANNUAL CHANGE IN PACE EXPENDITURE AND UTILIZATION FOR HIGH EXPENDITURE THERAPEUTIC CLASSES  
2006-2007**

MANUFACTURER	PRODUCT	STRENGTH	2007				2006				PERCENT CHANGE: 2006-2007							
			EXPENDITURE	% CLAIMS	COST PER CLAIM	USERS	EXPENDITURE	% CLAIMS	COST PER CLAIM	USERS	CHANGE EXPENDITURE	% CHANGE CLAIMS	CHANGE COST PER CLAIM	% CHANGE USERS				
<b>COX-2 INHIBITOR ANTI-INFLAMMATORY DRUGS</b>																		
PFIZER	CELEBREX (CELECOXIB)	200 MG	\$2,371,817	92.5	\$52.53	8,504	91.2	\$3,911,935	92.2	52,311	90.1	\$74.78	9,063	90.6	-39.4	-13.7	-29.8	-6.2
PFIZER	CELEBREX (CELECOXIB)	100 MG	\$189,010	7.3	\$43.62	947	10.1	\$323,594	7.6	5,669	9.7	\$57.08	1,131	11.3	-41.6	-23.6	-23.6	-16.3
PFIZER	CELEBREX (CELECOXIB)	400 MG	\$3,010	0.1	\$100.32	9	0.0	\$6,079	0.1	54	0.0	\$112.58	12	0.1	-50.5	-44.4	-10.9	-25.0
PFIZER	CELEBREX (CELECOXIB)	50 MG	\$20	0.0	\$3.33	2	0.0	\$0	0.0	0	0.0	\$0.00	0	0.0	—	—	—	—
PFIZER	BEXTRA (VALDECOXIB)	10 MG	\$0	0.0	\$0.00	0	0.0	\$0	0.0	2	0.0	\$0.24	1	0.0	—	—	—	—
	ALL OTHER		\$0	0.0	\$0.00	0	0.0	\$0	0.0	0	0.0	\$0.00	0	0.0	—	—	—	—
	TOTAL		\$2,563,857	100.0	\$51.77	9,315	100.0	\$4,241,609	100.0	58,036	100.0	\$73.09	10,003	100.0	-39.6	-14.7	-29.2	-7.3
<b>OTHER NONSTEROIDAL ANTI-INFLAMMATORY DRUGS</b>																		
PFIZER	ARTHRORTEC (DICLOFENAC)	75 MG	\$133,181	19.5	\$59.38	433	2.2	\$247,687	7.1	2,981	3.4	\$83.09	549	2.3	-46.2	-24.8	-28.5	-21.1
ALCON	NEVANAC (NEPAFENAC)	0.1 %	\$77,347	11.3	\$46.48	959	4.9	\$89,364	2.5	1,608	1.8	\$55.57	823	3.5	-13.4	3.5	-16.4	16.5
PFIZER	ARTHRORTEC (DICLOFENAC)	50 MG	\$70,391	10.3	\$60.94	270	1.3	\$151,210	4.3	1,719	1.9	\$87.96	388	1.6	-53.4	-32.8	-30.7	-30.4
TEVA (LEMMON)	NABUMETONE	500 MG	\$37,463	5.5	\$19.78	515	2.6	\$130,062	3.7	2,845	3.2	\$45.72	764	3.2	-71.2	-33.4	-56.7	-32.6
BOEHRINGER INGELHEIM MOBIC (MELOXICAM)		7.5 MG	\$29,990	4.4	\$82.84	107	0.5	\$1,175,982	34.1	12,796	14.6	\$91.90	3,065	13.2	-97.4	-97.2	-9.9	-96.5
	ALL OTHER		\$331,696	48.7	\$5.69	17,663	90.4	\$1,649,809	47.9	65,537	74.9	\$25.17	19,909	85.8	-79.9	-11.0	-77.4	-11.3
	TOTAL		\$680,068	100.0	\$10.36	19,528	100.0	\$3,444,115	100.0	87,486	100.0	\$39.37	23,183	100.0	-80.3	-25.0	-73.7	-21.8
<b>OPIATE AGONIST ANALGESICS</b>																		
MYLAN	FENTANYL	100 MCG	\$141,750	5.2	\$161.08	220	0.5	\$384,695	6.9	1,141	0.5	\$337.16	257	0.5	-63.2	-22.9	-52.2	-14.4
MYLAN	FENTANYL	50 MCG	\$130,870	4.8	\$65.70	655	1.5	\$380,072	6.8	2,549	1.1	\$149.11	804	1.6	-65.6	-21.9	-55.9	-18.5
SANDOZ	FENTANYL	75 MCG	\$120,800	4.4	\$123.64	275	0.6	\$213,559	3.8	908	0.4	\$235.20	270	0.5	-43.4	7.6	-47.4	1.9
MYLAN	FENTANYL	75 MCG	\$117,819	4.3	\$135.74	256	0.5	\$270,616	4.8	1,238	0.5	\$218.59	357	0.7	-56.5	-29.9	-37.9	-28.3
TEVA (LEMMON)	OXYCODONE	80 MG	\$115,946	4.2	\$231.43	86	0.1	\$149,574	2.6	426	0.1	\$351.11	77	0.1	-22.5	17.6	-34.1	11.7
	ALL OTHER		\$2,080,048	76.8	\$174.85	42,968	99.6	\$4,158,198	74.8	211,894	97.1	\$19.62	49,313	99.7	-50.0	-17.7	-39.3	-12.9
	TOTAL		\$2,707,232	100.0	\$15.07	43,139	100.0	\$5,556,713	100.0	218,156	100.0	\$25.47	49,449	100.0	-51.3	-17.6	-40.9	-13.0
<b>ANTIDEPRESSANTS</b>																		
FOREST	LEXAPRO (ESCITALOPRAM)	10 MG	\$1,506,165	24.0	\$40.00	6,937	17.4	\$2,211,069	16.6	41,431	12.7	\$53.37	7,634	18.2	-31.9	-9.1	-25.1	-9.1
WYETH	EFFEXOR-XR (VENLAFAXINE)	75 MG	\$531,588	8.4	\$57.24	1,668	4.2	\$859,974	6.4	10,409	3.2	\$82.62	1,739	4.1	-38.2	-10.8	-30.7	-4.1
FOREST	LEXAPRO (ESCITALOPRAM)	20 MG	\$513,085	8.1	\$40.29	2,245	5.6	\$656,828	4.9	12,065	3.7	\$54.44	2,073	4.9	-21.9	5.6	-26.0	8.3
ELI LILLY	CYMBALTA (DULOXETINE)	60 MG	\$417,736	6.6	\$61.48	1,281	3.2	\$425,824	3.2	5,365	1.6	\$79.37	1,072	2.5	-1.9	26.7	-22.5	19.5
WYETH	EFFEXOR-XR (VENLAFAXINE)	150 MG	\$340,803	5.4	\$54.70	1,012	2.5	\$496,853	3.7	6,230	1.9	\$79.75	934	2.2	-31.4	0.0	-31.4	8.4
	ALL OTHER		\$2,965,894	47.2	\$14.66	31,433	79.2	\$8,641,737	65.0	249,253	76.7	\$34.67	33,731	80.7	-65.7	-18.9	-57.7	-6.8
	TOTAL		\$6,275,271	100.0	\$22.82	39,670	100.0	\$13,292,285	100.0	324,753	100.0	\$40.93	41,781	100.0	-52.8	-15.3	-44.2	-5.5
<b>ANTIPSYCHOTICS</b>																		
ELI LILLY	ZYPREXA (OLANZAPINE)	2.5 MG	\$501,054	12.6	\$100.90	875	11.9	\$870,337	13.3	6,641	11.4	\$131.06	1,171	14.6	-42.4	-25.2	-23.0	-25.3
ELI LILLY	ZYPREXA (OLANZAPINE)	5 MG	\$412,817	10.4	\$111.12	676	9.2	\$732,231	11.2	4,776	8.2	\$153.31	867	10.8	-43.6	-22.2	-27.5	-22.0
ASTRA ZENECA	SEROQUEL (QUETIAPINE)	25 MG	\$354,094	8.9	\$43.32	1,663	22.6	\$674,213	10.3	10,042	17.3	\$67.14	1,873	23.4	-47.5	-18.6	-35.5	-11.2
JOHNSON & JOHNSON	RISPERDAL (RISPERIDONE)	0.5 MG	\$326,508	8.2	\$68.01	1,104	15.0	\$544,555	8.3	5,739	9.9	\$94.89	1,211	15.1	-40.0	-16.3	-28.3	-8.8
JOHNSON & JOHNSON	RISPERDAL (RISPERIDONE)	0.25 MG	\$258,780	6.5	\$60.39	935	12.7	\$383,147	5.8	4,395	7.5	\$87.18	994	12.4	-32.5	-2.5	-30.7	-5.9
	ALL OTHER		\$2,108,973	53.2	\$3.73	47.7	51.1	\$3,305,707	50.7	26,259	45.3	\$125.89	3,890	48.7	-36.2	-9.6	-29.4	-3.6
	TOTAL		\$3,962,227	100.0	\$79.77	7,335	100.0	\$6,510,189	100.0	57,852	100.0	\$112.53	7,974	100.0	-39.1	-14.1	-29.1	-10.0

**TABLE 3.3  
ANNUAL CHANGE IN PACE EXPENDITURE AND UTILIZATION FOR HIGH EXPENDITURE THERAPEUTIC CLASSES  
2006-2007**

MANUFACTURER	PRODUCT	STRENGTH	2007				2006				PERCENT CHANGE: 2006-2007									
			EXPENDITURE	% CLAIMS	% USERS	%	EXPENDITURE	% CLAIMS	% USERS	%	CHANGE EXPENDITURE	% CHANGE CLAIMS	% CHANGE COST PER CLAIM	% CHANGE PER USER						
<b>ANXIOLYTICS, SEDATIVES, AND HYPNOTICS</b>																				
SANOFI-AVENTIS	AMBIENPAK (ZOLPIDEM)	5 MG	\$333,251	7.8	7,868	3.1	\$42.36	2,896	6.8	\$1,538,307	22.8	22,937	8.6	\$67.07	5,705	13.2	-78.3	-65.7	-36.8	-49.2
SANOFI-AVENTIS	AMBIENPAK (ZOLPIDEM)	10 MG	\$323,378	7.6	6,939	2.7	\$46.60	1,957	4.6	\$1,171,005	17.4	16,937	6.3	\$69.14	2,747	6.3	-72.4	-59.0	-32.6	-28.8
SEPRACOR, INC.	LUNESTA (ESZOPICLONE)	2 MG	\$261,402	6.1	4,063	1.6	\$64.34	1,079	2.5	\$294,691	4.3	3,671	1.3	\$80.28	1,131	2.6	-11.3	10.7	-19.9	-4.6
SANOFI-AVENTIS	AMBIEN CR (ZOLPIDEM)	6.25 MG	\$244,532	5.7	3,919	1.5	\$62.40	1,011	2.3	\$195,344	2.9	2,725	1.0	\$71.69	881	2.0	25.2	43.8	-13.0	14.8
RAMBAXY	LORAZEPAM	0.5 MG	\$231,579	5.4	12,382	4.9	\$18.70	3,254	7.6	\$299,297	4.4	15,626	5.9	\$19.15	3,662	8.5	-22.6	-20.8	-2.4	-11.1
	ALL OTHER		\$2,844,037	67.1	214,276	85.9	\$13.27	38,723	91.6	\$3,225,047	47.9	202,751	76.6	\$15.91	35,375	82.2	-11.8	5.7	-16.6	9.5
	TOTAL		\$4,238,178	100.0	249,447	100.0	\$16.99	42,269	100.0	\$6,723,691	100.0	264,647	100.0	\$25.41	42,994	100.0	-37.0	-5.7	-33.1	-1.2
<b>EYE, EAR, NOSE AND THROAT PREPARATIONS</b>																				
PFIZER	XALATAN (LATANOPROST)	5 %	\$1,333,206	21.7	41,606	19.2	\$32.04	6,986	16.2	\$1,987,302	20.9	47,829	18.7	\$41.55	7,851	17.1	-32.9	-13.0	-22.9	-11.0
MERCK	COSOPT OCUMETER (DORZOLAMIDE)		\$653,596	10.6	12,847	5.8	\$51.68	3,188	7.4	\$938,377	9.8	19,248	7.5	\$48.75	3,345	7.2	-30.3	-34.3	6.0	-4.7
ALLERGAN	LUMIGAN (BIMATOPROST)	2.5 %	\$457,457	7.4	15,671	7.2	\$29.19	2,982	6.9	\$707,674	7.4	16,656	6.5	\$42.49	3,051	6.6	-35.4	-5.9	-31.3	-2.3
ALLERGAN	RESTASIS (CYCLOSPORINE)	0.05 %	\$437,999	7.1	6,566	3.0	\$66.71	1,830	4.2	\$634,977	6.6	7,227	2.8	\$87.86	1,887	4.1	-31.0	-9.1	-24.1	-3.0
ALCON	TRAVATAN (TRAVOPROST)	0.004 %	\$382,917	6.2	11,679	5.4	\$32.79	2,653	6.1	\$634,988	6.6	14,145	5.5	\$44.89	2,986	6.5	-39.7	-17.4	-27.0	-11.2
	ALL OTHER		\$2,852,640	46.6	127,723	59.1	\$22.33	35,803	83.4	\$4,603,097	48.4	150,216	58.8	\$30.64	38,657	84.2	-38.0	-15.0	-27.1	-7.4
	TOTAL		\$6,117,815	100.0	215,892	100.0	\$28.34	42,896	100.0	\$9,506,414	100.0	255,321	100.0	\$37.23	45,871	100.0	-35.6	-15.4	-23.9	-7.5
<b>PROTON PUMP INHIBITOR ANTI-ULCER AGENTS</b>																				
WYETH	PROTONIX (PANTOPRAZOLE)	40 MG	\$5,769,792	28.5	101,152	29.0	\$57.04	16,669	31.6	\$9,289,137	25.5	115,075	29.2	\$80.72	17,916	33.1	-37.9	-12.1	-29.3	-7.0
ASTRA ZENECA	NEXIUM (ESOMEPRAZOLE)	40 MG	\$5,504,897	27.2	85,965	24.7	\$64.04	13,265	25.2	\$9,088,256	24.9	92,911	23.6	\$97.60	13,624	25.1	-39.3	-7.5	-34.4	-2.6
TAP	PREVACID (LANSOPRAZOLE)	30 MG	\$3,824,190	18.9	48,548	13.9	\$78.77	7,515	14.2	\$7,486,454	20.6	65,538	16.6	\$114.23	9,333	17.2	-48.9	-25.9	-31.0	-19.5
EISAI, INC.	ACIPHEX (RABEPRAZOLE)	20 MG	\$1,859,726	9.2	21,018	6.0	\$88.48	3,307	6.2	\$3,133,563	8.6	27,247	6.9	\$115.01	4,004	7.4	-40.7	-22.9	-23.1	-17.4
MYLAN	OMEPRAZOLE	20 MG	\$567,668	2.8	30,986	8.9	\$18.32	6,583	12.5	\$1,730,829	4.7	26,884	6.8	\$64.38	4,915	9.0	-67.2	15.3	-71.5	33.9
	ALL OTHER		\$2,684,189	13.2	60,202	17.3	\$44.59	12,269	23.3	\$5,625,192	15.4	65,643	16.6	\$85.69	11,414	21.0	-52.3	-8.3	-48.0	7.5
	TOTAL		\$20,210,462	100.0	347,871	100.0	\$58.10	52,598	100.0	\$36,333,430	100.0	393,298	100.0	\$92.38	54,107	100.0	-44.4	-11.6	-37.1	-2.6
<b>OTHER ANTI-ULCER AGENTS</b>																				
PROCTER & GAMBLE	ASACOL (MESALAMINE)	400 MG	\$333,512	34.0	5,704	9.9	\$58.47	731	5.8	\$545,052	24.5	7,251	8.9	\$75.17	733	4.8	-38.8	-21.3	-22.2	-0.3
NOVARTIS	ZELNORM (TEGASEROD)	6 MG	\$113,569	11.5	1,509	2.6	\$75.26	697	5.5	\$545,306	24.5	4,491	5.5	\$121.42	1,343	8.9	-79.2	-66.4	-38.0	-48.1
SALIX	COLAZAL (BAL SALAZIDE)	750 MG	\$65,457	6.6	665	1.1	\$98.43	66	0.5	\$78,664	3.5	856	1.0	\$91.90	83	0.5	-16.8	-22.3	7.1	-20.5
AXCAN SCANDIPHARM	CARAFATE (SUCRALFATE)	1 GM	\$64,153	6.5	1,631	2.8	\$39.33	586	4.6	\$90,309	4.0	1,707	2.1	\$52.91	556	3.6	-29.0	-4.5	-25.7	5.4
SHIRE U.S., INC.	PENTASA (MESALAMINE)	500 MG	\$56,490	5.7	580	1.0	\$97.40	67	0.5	\$69,383	3.1	655	0.8	\$105.93	66	0.4	-18.6	-11.5	-8.1	1.5
	ALL OTHER		\$347,169	35.4	47,369	82.4	\$7.33	10,724	85.8	\$888,910	40.0	65,763	81.4	\$13.52	12,885	85.4	-60.9	-28.0	-45.8	-16.8
	TOTAL		\$980,350	100.0	57,458	100.0	\$17.06	12,496	100.0	\$2,217,623	100.0	80,723	100.0	\$27.47	15,080	100.0	-55.8	-28.8	-37.9	-17.8
<b>ANTIDIABETIC AGENTS</b>																				
TAKEDA	ACTOS (PIOGLITAZONE)	30 MG	\$1,413,627	12.3	18,577	4.3	\$76.10	3,113	7.7	\$2,241,840	10.8	19,650	3.7	\$114.09	2,943	6.9	-36.9	-5.5	-33.3	5.8
TAKEDA	ACTOS (PIOGLITAZONE)	45 MG	\$1,148,283	10.0	14,567	3.4	\$78.83	2,182	5.4	\$1,999,017	9.6	15,918	3.0	\$125.58	2,125	5.0	-42.6	-8.5	-37.2	2.7
SANOFI-AVENTIS	LANTUS (INSULIN)	100 U	\$970,336	8.4	23,123	5.4	\$41.96	4,735	11.7	\$1,388,898	6.7	23,473	4.5	\$59.17	4,337	10.2	-30.1	-1.5	-29.1	9.2
MERCK	JANUVIA (SITAGLIPTIN)	100 MG	\$677,038	5.9	6,467	1.5	\$104.69	1,515	3.7	\$12,127	0.0	109	0.0	\$111.25	90	0.2	5,483.1	5,833.0	-5.9	1,583.3
TAKEDA	ACTOS (PIOGLITAZONE)	15 MG	\$637,291	5.5	14,287	3.3	\$44.61	2,469	6.1	\$1,061,740	5.1	14,863	2.8	\$71.44	2,370	5.6	-40.0	-3.9	-37.6	4.2
	ALL OTHER		\$6,581,871	57.5	345,362	81.7	\$19.06	38,053	94.2	\$13,936,093	67.5	445,052	85.7	\$31.31	40,398	95.7	-52.8	-22.4	-39.1	-5.8
	TOTAL		\$11,428,446	100.0	422,383	100.0	\$27.06	40,389	100.0	\$20,639,715	100.0	519,065	100.0	\$39.76	42,194	100.0	-44.6	-18.6	-32.0	-0.4

**TABLE 3.3  
ANNUAL CHANGE IN PACE EXPENDITURE AND UTILIZATION FOR HIGH EXPENDITURE THERAPEUTIC CLASSES  
2006-2007**

MANUFACTURER	PRODUCT	STRENGTH	2007				2006				PERCENT CHANGE: 2006-2007				
			EXPENDITURE	% CLAIMS	COST PER CLAIM	USERS	EXPENDITURE	% CLAIMS	COST PER CLAIM	USERS	EXPENDITURE	% CLAIMS	CHANGE COST PER CLAIM	% CHANGE CLAIM	% CHANGE USERS
<b>OTHER HORMONES AND SYNTHETIC AGENTS</b>															
GLAXOSMITHKLINE	ADVAIR DISKUS 250/50 (FLUTICAS)		\$2,365,911	38.9	\$76.69	7,070	32,442	34.9	\$111.89	7,067	10.9	-34.8	-4.9	-31.5	0.0
GLAXOSMITHKLINE	ADVAIR DISKUS 500/50 (FLUTICAS)		\$860,861	14.1	\$101.25	1,956	9,489	14.1	\$155.10	1,904	2.9	-41.5	-10.4	-34.7	2.7
GLAXOSMITHKLINE	ADVAIR DISKUS 100/50 (FLUTICAS)		\$570,942	9.3	\$56.72	2,514	12,266	10.4	\$88.56	2,881	4.4	-47.4	-17.9	-36.0	-12.7
GLAXOSMITHKLINE	FLOVENT HFA (FLUTICASONE)	0.11 MG	\$222,225	3.6	\$47.39	1,249	6,046	3.8	\$66.88	1,569	2.4	-45.0	-22.4	-29.1	-20.4
GLAXOSMITHKLINE	FLOVENT HFA (FLUTICASONE)	0.22 MG	\$205,333	3.3	\$73.39	727	3,484	3.5	\$106.42	878	1.3	-44.6	-19.7	-31.0	-17.2
	ALL OTHER		\$1,854,433	30.5	\$30.78	85.3	421,000	86.8	\$8.12	58,500	90.5	-45.7	-21.4	-30.9	-9.5
	TOTAL		\$6,079,706	100.0	\$387.687	100.0	\$15,380,123	100.0	\$21.41	64,586	100.0	-41.4	-20.0	-26.8	-8.7
<b>OSTEOPOROSIS DRUGS</b>															
MERCK	FOSAMAX (ALENDRONATE)	70 MG	\$2,657,313	29.4	\$30.66	12,183	109,602	35.4	\$49.09	14,675	42.9	-50.6	-20.9	-37.5	-17.0
PROCTER & GAMBLE	ACTONEL (RISEDRONATE)	35 MG	\$1,821,413	20.1	\$5.693	23.9	63,433	20.8	\$49.97	8,650	25.3	-42.5	-12.2	-34.6	-9.7
ELI LILLY	EVISTA (RALOXIFENE)	60 MG	\$1,141,397	12.6	\$38.25	3,839	34,491	13.5	\$59.52	4,087	11.9	-44.4	-13.5	-35.7	-6.1
ELI LILLY	FORTEO (TERIPARATIDE)	250 MCG	\$1,140,435	12.6	\$439.47	472	2,571	9.0	\$535.51	460	1.3	-17.2	0.9	-17.9	2.6
HOFFMANN-LA ROCHE	BONIVA (IBANDRONATE)	150 MG	\$948,672	10.4	\$48.64	3,454	15,286	5.7	\$54.92	3,002	8.7	13.0	27.6	-11.4	15.1
	ALL OTHER		\$1,328,196	14.6	\$37.90	16.2	41,842	15.4	\$56.15	7,387	21.6	-43.5	-9.7	-37.4	-9.3
	TOTAL		\$9,037,426	100.0	\$232.088	100.0	\$15,168,760	100.0	\$56.76	34,165	100.0	-40.4	-13.1	-31.4	-9.9
<b>ALL OTHER DRUGS</b>															
FOREST	NAMENDA (MEMANTINE)	10 MG	\$1,799,845	5.8	\$27.621	1.7	25,582	4.2	\$87.52	3,800	2.6	-19.6	8.0	-25.5	12.9
PFIZER	DETROL LA (TOLTERODINE)	4 MG	\$1,623,236	5.2	\$46.66	6,057	38,903	4.8	\$65.26	6,482	4.4	-36.1	-10.6	-28.5	-6.6
MERCK	SINGULAIR (MONTelukAST)	10 MG	\$1,232,002	3.9	\$42.08	4,613	31,679	4.0	\$65.80	4,627	3.2	-40.9	-7.6	-36.0	-0.3
ASTRA ZENECA	ARIMIDEX (ANASTROZOLE)	1 MG	\$1,161,717	3.7	\$105.17	1,498	11,838	3.5	\$157.26	1,458	1.0	-37.6	-6.7	-33.1	2.7
BOEHRINGER INGELHEIM	FLOMAX (TAMSULOSIN)	0.4 MG	\$973,674	3.1	\$32.64	5,068	30,348	2.8	\$48.20	4,886	3.3	-33.4	-1.7	-32.3	3.7
	ALL OTHER		\$24,177,942	78.0	\$16.80	131,776	1,821,376	80.4	\$23.02	141,649	98.0	-42.3	-21.0	-27.0	-7.0
	TOTAL		\$30,968,416	100.0	\$157.1740	100.0	\$52,110,439	100.0	\$26.59	144,487	100.0	-40.6	-19.8	-25.9	-5.9
	TOTAL (ALL CATEGORIES)		\$179,440,820	100.0	\$25.10	178,856	8,605,273	100.0	\$38.61	181,329	100.0	-46	-16.9	-35	-7.5

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 2007**

<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, INC.	00009, 00013, 00025, 00049, 00069, 00071, 59762, 63010	1	\$39,858,355.66	12.4%	1,110,975	8.9%
ASTRA ZENECA	00186, 00310, 61113	2	\$22,571,044.00	7.0%	482,909	3.9%
MERCK & CO., INC.	00006, 66582	3	\$21,999,236.36	6.8%	577,946	4.6%
NOVARTIS PHARMACEUTICAL	00028, 00067, 00078, 00083, 00185, 00781, 53905, 58768, 66521, 66685	4	\$21,232,109.20	6.6%	1,046,643	8.4%
GLAXOSMITHKLINE	00007, 00029, 00108, 00173, 19515, 58160, 66203	5	\$19,207,557.60	6.0%	326,682	2.6%
BRISTOL-MYERS SQUIBB COMPANY	00003, 00015, 00056, 00072, 00087, 59772, 62269, 63653	6	\$16,055,507.40	5.0%	337,248	2.7%
WYETH PHARMACEUTICALS	00005, 00008, 00031, 00046, 00206, 58394	7	\$13,027,543.59	4.1%	237,916	1.9%
BOEHRINGER INGELHEIM	00054, 00597	8	\$11,580,480.99	3.6%	314,627	2.5%
EISAI, INC.	62856	9	\$11,119,935.80	3.5%	146,648	1.2%
ELI LILLY AND COMPANY	00002, 00777	10	\$10,986,942.35	3.4%	163,028	1.3%
TEVA PHARMACEUTICAL	00093, 00172, 00182, 00332, 00575, 00703, 38245, 55953, 57844, 68546	11	\$10,457,591.45	3.3%	1,168,405	9.4%
MYLAN, INC.	00378, 15330, 51079, 62794	12	\$9,154,518.67	2.8%	1,527,653	12.3%
JOHNSON & JOHNSON	00045, 00062, 10147, 17314, 50458, 50580, 57894, 59676, 65086, 68669	13	\$8,747,809.54	2.7%	91,081	0.7%
FOREST PHARMACEUTICALS, INC.	00258, 00456, 00535, 00785	14	\$7,910,962.97	2.5%	191,469	1.5%

**TABLE 3.4**  
**PACE AND PACENET NUMBER AND PERCENT OF EXPENDITURES AND CLAIMS BY MANUFACTURER**  
**JANUARY - DECEMBER 2007**

<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>
TAP PHARMACEUTICALS	00300	15	\$7,497,467.99	2.3%	95,180	0.8%
TAKEDA PHARMACEUTICALS	64764	16	\$6,898,232.83	2.1%	95,609	0.8%
SANOFI-AVENTIS	00024, 00039, 00066, 00068, 00075, 00088, 00955, 49281	17	\$6,464,790.60	2.0%	108,098	0.9%
ABBOTT LABORATORIES	00044, 00074, 57599, 60598	18	\$6,102,411.61	1.9%	140,079	1.1%
AMGEN, INC.	55513, 58406	19	\$4,353,725.69	1.4%	7,159	0.1%
PROCTOR & GAMBLE	00149	20	\$3,903,976.77	1.2%	110,950	0.9%
NOVO NORDISK, INC.	00169	21	\$3,700,402.13	1.2%	76,599	0.6%
APOTEX, INC.	60505	22	\$3,185,815.81	1.0%	221,917	1.8%
ALLERGAN, INC.	00023, 11980, 60758	23	\$3,117,009.83	1.0%	96,169	0.8%
SCHERING-PLOUGH CORPORATION	00085, 11523, 41100, 59930	24	\$2,774,183.43	0.9%	131,572	1.1%
KING PHARMACEUTICALS, INC.	00689, 52604, 60793, 61570, 64029	25	\$2,490,856.18	0.8%	99,800	0.8%
TOTAL, TOP 25 MANUFACTURERS			\$274,398,468.45	85.4%	8,906,362	71.5%
TOTAL, ALL OTHER MANUFACTURERS			\$47,095,423.98	14.6%	3,544,598	28.5%
TOTAL, ALL MANUFACTURERS			\$321,493,892.43	100.0%	12,450,960	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 2007**

QUARTER/YEAR BILLED	FISCAL YEAR RECEIVED												TOTAL					
	91-92	92-93	93-94	94-95	95-96	96-97	97-98	98-99	99-00	00-01	01-02	02-03		03-04	04-05	05-06	06-07	07-08 YTD
	RECEIPTS	RECEIPTS	RECEIPTS	RECEIPTS	RECEIPTS	RECEIPTS	RECEIPTS	RECEIPTS	RECEIPTS	RECEIPTS	RECEIPTS	RECEIPTS	RECEIPTS	RECEIPTS	RECEIPTS	RECEIPTS	RECEIPTS	
JAN-DEC 1991	\$22,268,265	\$69,676	\$357,586	(\$164,502)	\$0	\$0	\$0	\$111,648	\$59,631	\$71,572	(\$6,354)	(\$14,702)	(\$2,038)	\$0	\$0	\$0	\$22,750,782	
JAN-DEC 1992	\$5,235,137	\$22,413,552	\$1,528,235	(\$254,987)	\$2,480	\$0	\$55	\$396,718	\$466,946	\$2,241	\$295,009	\$34,972	\$4,219	\$0	\$0	\$0	\$30,124,579	
JAN-DEC 1993	\$0	\$6,218,258	\$25,068,924	\$239,706	\$1,181	\$0	\$19,429	\$158,574	\$2,877	\$7,924	(\$120,021)	\$401,990	\$5,661	\$0	\$0	\$0	\$32,004,504	
JAN-DEC 1994	\$0	\$0	\$5,471,410	\$25,179,897	\$9,482	\$0	\$26,347	\$33,537	(\$14,187)	\$1,444	(\$53,014)	\$7,377	\$3,868	\$0	\$0	\$248	\$30,666,411	
JAN-DEC 1995	\$0	\$0	\$0	\$7,382,094	\$24,897,564	\$252,325	\$35,278	\$31,532	\$11,286	\$949	\$40,725	(\$100,326)	\$91,350	\$0	\$0	\$0	\$32,642,778	
JAN-DEC 1996	\$0	\$0	\$0	\$0	\$5,821,513	\$25,449,630	\$75,201	\$79,041	(\$36,716)	(\$21,051)	(\$189,464)	(\$43,469)	\$42,279	\$0	\$0	\$0	\$31,176,963	
JAN-DEC 1997	\$0	\$0	\$0	\$0	\$0	\$866,074	\$37,108,643	\$363,095	\$22,849	\$296,578	\$31,057	\$64,988	\$29,634	\$1,537	\$1,552	\$0	\$38,788,009	
JAN-DEC 1998	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,612,304	\$96,661	\$562,082	\$31,412	(\$33,567)	\$1,473	\$1,798	\$0	\$0	\$48,663,421	
JAN-DEC 1999	\$0	\$0	\$0	\$0	\$0	\$0	\$8,765,506	\$42,269,303	\$1,097,329	\$20,941	(\$166,284)	\$85,243	\$217,717	\$217,671	\$217,671	\$0	\$52,507,427	
JAN-MAR 2000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,924,800	\$5,324,979	\$486,367	(\$229,072)	(\$111,562)	\$419,439	\$1,537	\$0	\$0	\$38,788,009	
APR-JUN 2000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,508,638	\$3,103,715	(\$459,782)	(\$75,524)	\$47,844	\$442	\$0	\$0	\$0	\$17,125,333	
JUL-SEP 2000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,462,608	\$144,681	(\$112,875)	(\$81,548)	\$224,823	\$0	\$0	\$0	\$0	\$13,637,689	
OCT-DEC 2000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,899,384	\$2,630	\$354,138	(\$348,046)	\$314,986	\$2	\$0	\$0	\$0	\$14,223,095	
JAN-MAR 2001	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,126,291	\$2,720,271	\$230,133	(\$146,055)	\$363	(\$9,931)	\$0	\$0	\$0	\$14,921,070	
APR-JUN 2001	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,532,229	\$115,002	(\$8,703)	(\$189,312)	(\$8,213)	\$0	\$0	\$0	\$0	\$12,441,002	
JUL-SEP 2001	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,801,482	\$64,542	(\$48,338)	(\$166,611)	(\$164,349)	\$0	\$0	\$0	\$0	\$15,611,517	
OCT-DEC 2001	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,759,173	\$879,004	(\$183,830)	(\$164,349)	\$0	\$18	\$0	\$0	\$0	\$15,269,662	
JAN-MAR 2002	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,339,259	\$6,722,006	(\$352,293)	\$380,045	\$25,961	\$73	\$0	\$0	\$0	\$17,115,050	
APR-JUN 2002	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,103,859	(\$340,538)	\$174,201	\$1,138,167	\$1,506,781	\$133	\$0	\$0	\$0	\$19,270,350	
JUL-SEP 2002	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,496,229	\$902,472	\$902,468	\$362,473	\$1,136,167	\$968	\$0	\$0	\$0	\$19,864,579	
OCT-DEC 2002	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,508,607	\$807,472	\$902,468	\$362,473	\$1,136,167	\$968	\$0	\$0	\$0	\$19,864,579	
JAN-MAR 2003	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,050,874	\$14,060,867	\$2,810,736	\$3,156,648	(\$738,515)	\$1,941	\$886	\$0	\$0	\$24,340,978	
APR-JUN 2003	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,366,947	\$2,635,645	\$2,635,645	\$1,653,272	(\$630,823)	\$368	\$0	\$0	\$0	\$24,025,515	
JUL-SEP 2003	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,300,944	\$5,413,697	\$1,767,915	(\$934,663)	\$0	\$0	\$0	\$0	\$0	\$26,548,985	
OCT-DEC 2003	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,715,633	\$6,885,511	\$780,994	(\$429,994)	\$0	\$0	\$0	\$0	\$0	\$25,952,204	
JAN-MAR 2004	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,482,655	\$16,273,577	\$660,588	\$361,277	\$89,280	\$166	\$0	\$0	\$0	\$28,667,377	
APR-JUN 2004	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$29,708,534	\$2,063,356	\$425,464	\$425,464	\$93,563	\$32,290,917	\$0	\$0	\$0	\$32,290,917	
JUL-SEP 2004	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$28,671,294	\$1,572,262	\$551,444	\$1,572,262	\$551,444	\$15,049	\$0	\$0	\$0	\$30,779,951	
OCT-DEC 2004	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$24,735,007	\$6,899,320	\$313,698	\$313,698	\$313,698	\$313,698	\$0	\$0	\$0	\$31,884,549	
JAN-MAR 2005	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,450,103	\$23,322,157	\$260,308	\$260,308	\$260,308	\$260,308	\$0	\$0	\$0	\$35,993,507	
APR-JUN 2005	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,196,236	\$519,425	\$519,425	\$519,425	\$519,425	\$519,425	\$0	\$0	\$0	\$31,104,718	
JUL-SEP 2005	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$33,196,236	\$519,425	\$519,425	\$519,425	\$519,425	\$519,425	\$0	\$0	\$0	\$33,875,401	
OCT-DEC 2005	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$32,485,824	\$410,268	\$410,268	\$410,268	\$410,268	\$410,268	\$0	\$0	\$0	\$32,878,404	
JAN-MAR 2006	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25,420,400	\$10,542,899	\$10,542,899	\$10,542,899	\$10,542,899	\$10,542,899	\$0	\$0	\$0	\$36,111,283	
APR-JUN 2006	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$34,205,769	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$33,774,890	
JUL-SEP 2006	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$33,499,014	\$1,674,087	\$1,674,087	\$1,674,087	\$1,674,087	\$1,674,087	\$0	\$0	\$0	\$35,173,101	
OCT-DEC 2006	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,179,308	\$788,216	\$788,216	\$788,216	\$788,216	\$788,216	\$0	\$0	\$0	\$13,967,523	
JAN-MAR 2007	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,579,637	\$9,986,231	\$9,986,231	\$9,986,231	\$9,986,231	\$9,986,231	\$0	\$0	\$0	\$16,565,868	
APR-JUN 2007	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,457,719	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,457,719	
JUL-SEP 2007	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,675,024	
<b>TOTAL</b>	\$27,503,402	\$28,701,486	\$32,426,155	\$32,382,209	\$30,732,220	\$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	\$41,500,559	\$1,035,671,110

SOURCE: PDA CHECK RECEIPTS AS REPORTED ON STATE STATUS REPORT FOR WEEK ENDING DECEMBER 29, 2007.



**SECTION 4**

**CARDHOLDER  
UTILIZATION  
DATA**



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

**PACE**

		<b>JULY 1984 - JUNE 1988</b>		
		<b>NEWLY</b>	<b>% OF NEWLY</b>	<b>CUMULATIVE</b>
<b>QUARTER</b>		<b>ENROLLED *</b>	<b>ENROLLED</b>	<b>ENROLLMENTS</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>CUMULATIVE</b>	<b>% OF</b>	<b>ENROLLMENT</b>
<b>QUARTER</b>		<b>NEWLY</b>	<b>NEWLY</b>	<b>AT END</b>
		<b>ENROLLED</b>	<b>ENROLLED</b>	<b>OF QUARTER**</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 2007**

	<u>QUARTER</u>	<u>PACE</u>			<u>PACENET</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	JUL-SEP 1996	4,127	1.5	267,049			
PROGRAM	OCT-DEC 1996	9,332	3.6	260,678	1,523	100.0	1,523
YEAR	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	JUL-SEP 1997	4,536	1.8	257,291	1,949	17.7	11,037
PROGRAM	OCT-DEC 1997	8,694	3.5	250,671	3,801	29.5	12,889
YEAR	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	JUL-SEP 1998	4,375	1.8	237,753	879	5.8	15,213
PROGRAM	OCT-DEC 1998	8,042	3.5	230,722	1,504	9.4	15,964
YEAR	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	JUL-SEP 1999	4,086	1.8	221,535	761	4.2	18,195
PROGRAM	OCT-DEC 1999	7,981	3.7	217,103	1,510	8.1	18,655
YEAR	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	JUL-SEP 2000	5,061	2.4	213,041	1,032	4.9	21,223
PROGRAM	OCT-DEC 2000	10,283	4.9	208,227	2,034	9.3	21,781
YEAR	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	JUL-SEP 2001	3,877	1.9	204,839	1,710	6.9	24,929
PROGRAM	OCT-DEC 2001	7,907	4.0	199,898	3,132	12.1	25,873
YEAR	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	JUL-SEP 2002	3,490	1.8	191,935	1,378	4.6	29,980
PROGRAM	OCT-DEC 2002	6,925	3.7	188,566	2,476	8.2	30,356
YEAR	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	JUL-SEP 2003	4,467	2.4	187,914	2,299	6.8	33,855
PROGRAM	OCT-DEC 2003	8,106	4.4	185,143	3,737	10.9	34,314
YEAR	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	JUL-SEP 2004	4,222	2.2	194,488	7,598	8.1	94,002
PROGRAM	OCT-DEC 2004	6,717	3.5	191,669	15,186	15.3	99,572
YEAR	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	JUL-SEP 2005	3,935	2.1	187,696	6,301	5.9	107,240
PROGRAM	OCT-DEC 2005	9,001	4.8	188,495	15,579	13.3	116,755
YEAR	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	JUL-SEP 2006	2,084	1.1	184,106	3,182	2.5	127,978
PROGRAM	OCT-DEC 2006	5,269	2.9	179,240	11,330	8.5	132,764
YEAR	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	JUL-SEP 2007	2,143	1.2	174,824	3,940	2.8	138,701
PROGRAM	OCT-DEC 2007	4,477	2.8	158,560	8,642	5.5	157,874
YEAR							

\* 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., 158,560 PACE CARDHOLDERS AND 157,874 PACENET CARDHOLDERS ON THE FILE ON DECEMBER 31, 2007).

**TABLE 4.2A**  
**PACE CARDHOLDER ENROLLMENT, PARTICIPATION, UTILIZATION, AND EXPENDITURES**  
**BY DEMOGRAPHIC CHARACTERISTICS**  
**JANUARY - DECEMBER 2007**

	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	209,201	177,296	7,107,338	100.0	40.1	\$180,186,900	\$1,016.31	100.0
SEX								
FEMALE	167,678	145,320	5,988,415	84.3	41.2	\$150,874,763	\$1,038.22	83.7
MALE	41,523	31,976	1,118,923	15.7	35.0	\$29,312,137	\$916.69	16.3
AGE								
65-69 YEARS	27,037	21,785	736,335	10.4	33.8	\$20,186,103	\$926.61	11.2
70-74 YEARS	35,061	29,635	1,143,961	16.1	38.6	\$29,728,174	\$1,003.14	16.5
75-79 YEARS	44,783	38,849	1,593,118	22.4	41.0	\$41,162,262	\$1,059.54	22.8
80-84 YEARS	47,419	41,054	1,734,356	24.4	42.2	\$43,647,808	\$1,063.18	24.2
85 YEARS OR OVER	54,901	45,973	1,899,568	26.7	41.3	\$45,462,552	\$988.90	25.2
RESIDENCE TYPE								
OWN	113,142	96,415	3,711,134	52.2	38.5	\$97,433,218	\$1,010.56	54.1
RENT	56,049	47,266	1,929,355	27.1	40.8	\$45,587,790	\$964.49	25.3
NURSING HOME/ PERSONAL CARE HOME	6,310	4,948	265,838	3.7	53.7	\$7,490,744	\$1,513.89	4.2
LIVE WITH RELATIVE	19,484	16,579	729,879	10.3	44.0	\$18,743,776	\$1,130.57	10.4
OTHER	11,554	9,954	399,525	5.6	40.1	\$9,098,682	\$914.07	5.0
MISSING	2,662	2,134	71,607	1.0	33.6	\$1,832,690	\$858.81	1.0
MARITAL STATUS								
SINGLE OR WIDOWED	155,253	132,532	5,489,203	77.2	41.4	\$136,321,867	\$1,028.60	75.7
MARRIED	30,227	25,048	833,610	11.7	33.3	\$22,909,374	\$914.62	12.7
DIVORCED	17,604	14,613	567,982	8.0	38.9	\$14,942,434	\$1,022.54	8.3
MARRIED, LIVING SEPARATELY	6,117	5,103	216,543	3.0	42.4	\$6,013,224	\$1,178.37	3.3

**TABLE 4.2A**  
**PACE CARDHOLDER ENROLLMENT, PARTICIPATION, UTILIZATION, AND EXPENDITURES**  
**BY DEMOGRAPHIC CHARACTERISTICS**  
**JANUARY - DECEMBER 2007**

ETHNIC ORIGIN	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
WHITE	182,888	156,565	6,426,358	90.4	41.0	\$162,151,134	\$1,035.68	90.0
AFRICAN-AMERICAN	16,711	13,413	449,442	6.3	33.5	\$11,680,378	\$870.83	6.5
AMERICAN INDIAN	218	175	6,383	0.1	36.5	\$175,889	\$1,005.08	0.1
HISPANIC	1,931	1,528	52,463	0.7	34.3	\$1,138,631	\$745.18	0.6
ASIAN	883	682	19,103	0.3	28.0	\$663,638	\$973.08	0.4
OTHER	571	423	13,514	0.2	31.9	\$394,602	\$932.87	0.2
MISSING	5,999	4,510	140,075	2.0	31.1	\$3,982,628	\$883.07	2.2
<b>INCOME - SINGLE</b>								
\$0-\$2,999	8,375	5,562	191,634	2.7	34.5	\$4,994,601	\$897.99	2.8
\$3,000-\$5,999	6,506	5,418	204,430	2.9	37.7	\$5,092,380	\$939.90	2.8
\$6,000-\$8,999	23,390	19,688	782,464	11.0	39.7	\$20,032,405	\$1,017.49	11.1
\$9,000-\$11,999	67,142	57,358	2,413,552	34.0	42.1	\$56,393,085	\$983.18	31.3
\$12,000-\$14,000	54,554	47,621	2,082,097	29.3	43.7	\$54,011,607	\$1,134.20	30.0
\$14,001-\$14,500	15,592	13,868	537,883	7.6	38.8	\$15,139,708	\$1,091.70	8.4
MORATORIUM	3,415	2,733	61,668	0.9	22.6	\$1,613,739	\$590.46	0.9
<b>INCOME - MARRIED</b>								
\$0-\$2,999	1,052	696	14,741	0.2	21.2	\$470,069	\$675.39	0.3
\$3,000-\$5,999	1,138	941	32,309	0.5	34.3	\$1,011,737	\$1,075.17	0.6
\$6,000-\$8,999	2,313	1,944	62,530	0.9	32.2	\$2,009,916	\$1,033.91	1.1
\$9,000-\$11,999	3,572	3,013	99,606	1.4	33.1	\$2,927,539	\$971.64	1.6
\$12,000-\$14,999	7,374	6,058	210,051	3.0	34.7	\$5,619,205	\$927.57	3.1
\$15,000-\$17,200	9,712	8,120	289,949	4.1	35.7	\$7,667,446	\$944.27	4.3
\$17,201-\$17,700	4,062	3,478	110,302	1.6	31.7	\$2,805,955	\$806.77	1.6
MORATORIUM	1,004	798	14,122	0.2	17.7	\$397,509	\$498.13	0.2

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 2007**

	TOTAL ENROLLED CARDHOLDERS	TOTAL PARTICIPATING CARDHOLDERS	TOTAL CLAIMS	% OF TOTAL CLAIMS	TOTAL PARTI- CIPANT EXPENDITURES	TOTAL CARDHOLDER EXPENDITURES	CARDHOLDER SHARE (%) OF TOTAL EXPENDITURES	STATE SHARE EXPENDI- TURES	STATE SHARE (%) OF TOTAL EXPENDI- TURES	STATE SHARE PER CARDHOLDER	% OF STATE SHARE EXPENDI- TURES
TOTAL	173,555	139,818	5,318,517	100.0	38.0	\$319,510,089	54.7	\$144,601,442	45.3	\$1,034.21	100.0
SEX											
FEMALE	116,614	97,409	3,839,186	72.2	39.4	\$228,066,706	54.8	\$103,185,109	45.2	\$1,059.30	71.4
MALE	56,941	42,409	1,479,331	27.8	34.9	\$91,443,382	54.7	\$41,416,332	45.3	\$976.59	28.6
AGE											
65-69 YEARS	28,096	21,866	733,007	13.8	33.5	\$47,777,315	54.8	\$21,582,852	45.2	\$987.05	14.9
70-74 YEARS	33,959	27,190	1,023,867	19.3	37.7	\$63,386,785	54.6	\$28,769,014	45.4	\$1,058.07	19.9
75-79 YEARS	41,624	34,041	1,313,892	24.7	38.6	\$79,802,359	54.5	\$36,319,273	45.5	\$1,066.93	25.1
80-84 YEARS	36,961	30,111	1,180,496	22.2	39.2	\$69,239,905	54.7	\$31,356,244	45.3	\$1,041.36	21.7
85 YEARS OR OVER	32,915	26,610	1,067,255	20.1	40.1	\$59,303,725	55.2	\$26,574,058	44.8	\$998.65	18.4
RESIDENCE TYPE											
OWN	118,287	94,540	3,459,198	65.0	36.6	\$208,467,787	55.3	\$93,222,457	44.7	\$986.06	64.5
RENT	32,697	26,700	1,043,474	19.6	39.1	\$61,669,341	53.9	\$28,398,974	46.1	\$1,063.63	19.6
NURSING HOME/ PERSONAL CARE HOME	5,447	4,400	238,301	4.5	54.2	\$14,060,211	52.9	\$6,622,235	47.1	\$1,505.05	4.6
LIVE WITH RELATIVE	9,424	7,908	333,905	6.3	42.2	\$20,456,064	52.2	\$9,784,361	47.8	\$1,237.27	6.8
OTHER	5,457	4,539	182,632	3.4	40.2	\$11,136,818	55.5	\$4,960,465	44.5	\$1,092.85	3.4
MISSING	2,243	1,731	61,007	1.1	35.2	\$3,719,868	56.6	\$1,612,949	43.4	\$931.80	1.1
MARITAL STATUS											
SINGLE OR WIDOWED	86,140	70,884	2,820,323	53.0	39.8	\$165,807,182	54.1	\$76,068,074	45.9	\$1,073.13	52.6
MARRIED	75,629	59,557	2,157,102	40.6	36.2	\$132,127,342	55.8	\$58,339,961	44.2	\$979.57	40.3
DIVORCED	9,319	7,409	270,354	5.1	36.5	\$17,314,832	52.8	\$8,171,535	47.2	\$1,102.92	5.7
MARRIED, LIVING SEPARATELY	2,467	1,968	70,738	1.3	35.9	\$4,260,732	52.5	\$2,021,872	47.5	\$1,027.37	1.4
ETHNIC ORIGIN											
WHITE	155,928	126,722	4,908,550	92.3	38.7	\$294,548,638	54.8	\$133,012,938	45.2	\$1,049.64	92.0
AFRICAN-AMERICAN	7,542	5,851	179,530	3.4	30.7	\$10,805,476	52.7	\$5,112,948	47.3	\$873.86	3.5
AMERICAN INDIAN	134	103	3,493	0.1	33.9	\$209,668	50.0	\$104,812	50.0	\$1,017.59	0.1
HISPANIC	906	713	23,405	0.4	32.8	\$1,415,683	55.5	\$630,133	44.5	\$883.78	0.4
ASIAN	423	300	9,133	0.2	30.4	\$675,990	47.4	\$355,776	52.6	\$1,185.92	0.2
OTHER	455	317	8,832	0.2	27.9	\$546,318	54.8	\$246,680	45.2	\$778.17	0.2
MISSING	8,167	5,812	185,574	3.5	31.9	\$11,308,316	54.6	\$5,138,155	45.4	\$884.06	3.6

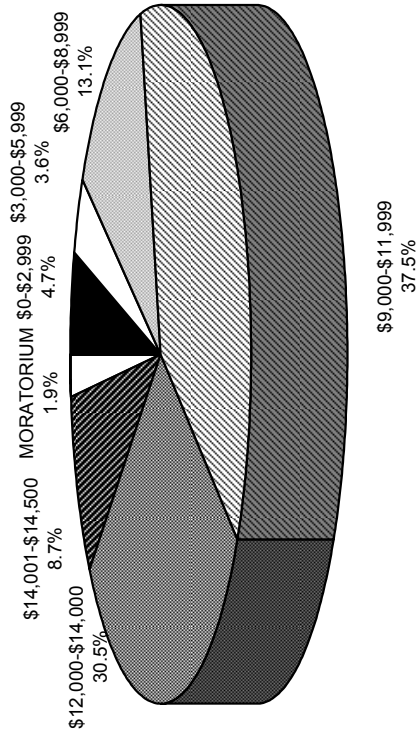
**TABLE 4.2B  
 PACENET CARDHOLDER ENROLLMENT, PARTICIPATION, UTILIZATION, AND EXPENDITURES  
 BY DEMOGRAPHIC CHARACTERISTICS  
 JANUARY - DECEMBER 2007**

	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	43,477	35,392	1,274,634	24.0	36.0	\$74,314,425	\$40,371,982	54.3	45.7	\$959.04	23.5
\$17,001 - \$20,000	29,371	24,116	1,020,639	19.2	42.3	\$60,207,795	\$32,459,421	53.9	46.1	\$1,150.62	19.2
\$20,001 - \$23,500	18,937	15,544	664,367	12.5	42.7	\$40,406,397	\$21,565,060	53.4	46.6	\$1,212.13	13.0
MORATORIUM	6,141	5,209	201,775	3.8	38.7	\$12,454,129	\$6,724,802	54.0	46.0	\$1,099.89	4.0
<b>INCOME - MARRIED</b>											
\$17,701 - \$20,200	17,165	13,662	397,677	7.5	29.1	\$24,055,346	\$14,883,552	61.9	38.1	\$671.34	6.3
\$20,201 - \$23,000	14,294	11,054	426,905	8.0	38.6	\$25,599,115	\$13,975,514	54.6	45.4	\$1,051.53	8.0
\$23,001 - \$26,000	14,633	11,331	433,275	8.1	38.2	\$26,215,039	\$14,446,362	55.1	44.9	\$1,038.63	8.1
\$26,001 - \$29,000	13,024	10,342	405,744	7.6	39.2	\$25,103,770	\$13,573,252	54.1	45.9	\$1,114.92	8.0
\$29,001 - \$31,500	9,672	7,708	302,102	5.7	39.2	\$19,032,668	\$10,258,842	53.9	46.1	\$1,138.28	6.1
MORATORIUM	6,841	5,460	191,399	3.6	35.1	\$12,121,404	\$6,649,860	54.9	45.1	\$1,002.11	3.8

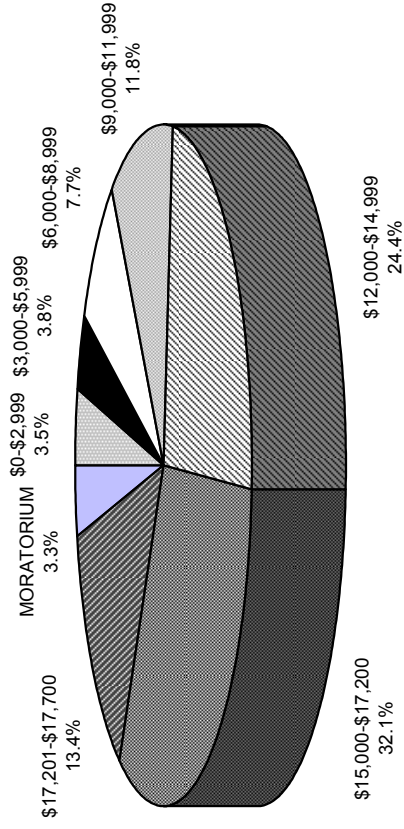
SOURCE: PDA/CLAIMS HISTORY, CARDHOLDER FILE  
 NOTE: DATA INCLUDE ORIGINAL, PAID PACENET CLAIMS BY DATE OF SERVICE. TOTAL CLAIMS INCLUDE DEDUCTIBLE CLAIMS AND COPAID CLAIMS.

**FIGURE 4.1**  
**PERCENT OF ENROLLED PACE CARDHOLDERS**  
**BY INCOME AND MARITAL STATUS**  
**JANUARY - DECEMBER 2007**  
**(TOTAL N = 209,201)**

**SINGLE**  
**N=178,974**



**MARRIED**  
**N=30,227**



**TABLE 4.3  
OTHER PRESCRIPTION INSURANCE COVERAGE OF PACE AND PACENET ENROLLED CARDHOLDERS  
JANUARY - DECEMBER 2007**

A. 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	177,647	84.9%	6,357,890	35.8	\$143,626,053	\$808.49
MEDICARE PART D COVERAGE	176,284	84.3%	6,307,047	35.8	\$141,192,502	\$800.94
NON MEDICARE PART D COVERAGE	1,363	0.7%	50,843	37.3	\$2,433,551	\$1,785.44
NO OTHER KNOWN PRESCRIPTION COVERAGE	31,554	15.1%	749,448	23.8	\$36,560,846	\$1,158.68
TOTAL PACE ENROLLED	209,201	100.0%	7,107,338	34.0	\$180,186,900	\$861.31

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	135,793	78.2%	4,648,554	34.2	\$117,034,856	\$861.86
MEDICARE PART D COVERAGE	134,857	77.7%	4,624,780	34.3	\$116,085,264	\$860.80
NON MEDICARE PART D COVERAGE	936	0.5%	23,774	25.4	\$949,592	\$1,014.52
NO OTHER KNOWN PRESCRIPTION COVERAGE	37,762	21.8%	669,963	17.7	\$27,566,585	\$730.01
TOTAL PACENET ENROLLED	173,555	100.0%	5,318,517	30.6	\$144,601,442	\$833.17

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 2007**

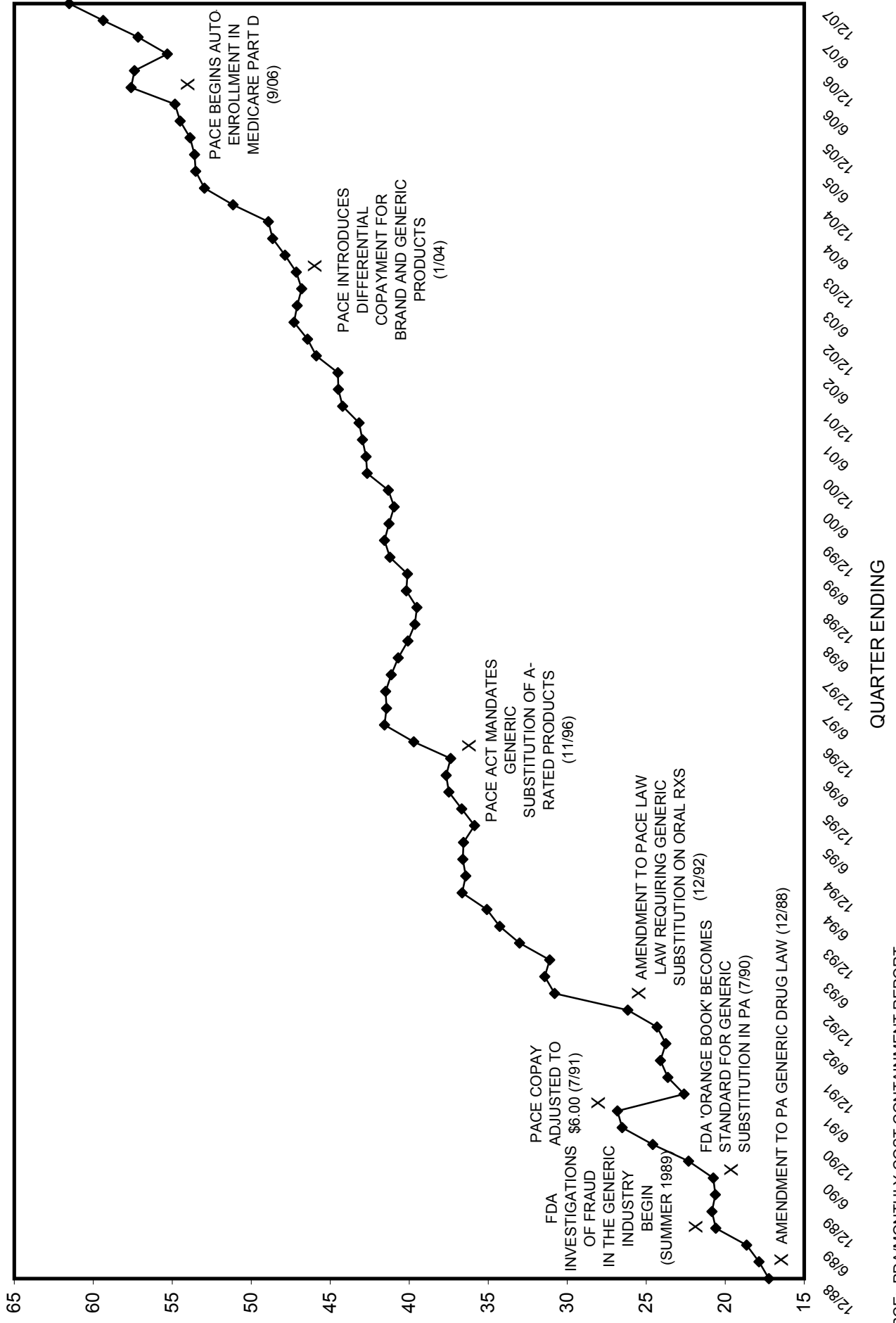
	PACE	PACENET	TOTAL
<b>Enrolled Cardholders</b>			
Part D, Auto-Enrolled	97,511	67,009	149,490
Part D, Not Auto-Enrolled	78,773	67,848	134,690
Not Enrolled in Part D	32,917	38,698	66,352
Total PACE/PACENET Enrolled	209,201	173,555	350,532
<b>Participating Cardholders</b>			
Part D, Auto-Enrolled	90,372	63,476	140,478
Part D, Not Auto-Enrolled	66,072	54,881	111,608
Not Enrolled in Part D	20,852	21,462	39,237
Total Participating Cardholders	177,296	139,819	291,323
<b>Claims</b>			
Part D, Auto-Enrolled	3,754,628	2,726,498	6,481,126
Part D, Not Auto-Enrolled	2,552,419	1,898,282	4,450,701
Not Enrolled in Part D	800,291	693,737	1,494,028
Total Claims	7,107,338	5,318,517	12,425,855
<b>Claims Per Enrollee</b>			
Part D, Auto-Enrolled	38.50	40.69	43.35
Part D, Not Auto-Enrolled	32.40	27.98	33.04
Not Enrolled in Part D	24.31	17.93	22.52
All PACE/PACENET Enrolled	33.97	30.64	35.45
<b>State Share Expenditures</b>			
Part D, Auto-Enrolled	\$81,497,601	\$67,382,605	\$148,880,206
Part D, Not Auto-Enrolled	\$59,694,901	\$48,702,659	\$108,397,560
Not Enrolled in Part D	\$38,994,397	\$28,516,178	\$67,510,575
All PACE/PACENET Enrolled	\$180,186,900	\$144,601,442	\$324,788,341
<b>State Share Per Claim</b>			
Part D, Auto-Enrolled	\$21.71	\$24.71	\$22.97
Part D, Not Auto-Enrolled	\$23.39	\$25.66	\$24.36
Not Enrolled in Part D	\$48.73	\$41.11	\$45.19
All PACE/PACENET Enrolled	\$25.35	\$27.19	\$26.14
<b>Total Cardholder Expenditures</b>			
Part D, Auto-Enrolled	\$22,476,223	\$26,558,032	\$49,034,254
Part D, Not Auto-Enrolled	\$14,832,813	\$19,547,244	\$34,380,057
Not Enrolled in Part D	\$5,570,929	\$10,474,521	\$16,045,450
All PACE/PACENET Enrolled	\$42,879,964	\$56,579,796	\$99,459,761
<b>Cardholder Share Per Claim</b>			
Part D, Auto-Enrolled	\$5.99	\$9.74	\$7.57
Part D, Not Auto-Enrolled	\$5.81	\$10.30	\$7.72
Not Enrolled in Part D	\$6.96	\$15.10	\$10.74
All PACE/PACENET Enrolled	\$6.03	\$10.64	\$8.00
<b>TPL Share</b>			
Part D, Auto-Enrolled	\$108,662,596	\$67,213,323	\$175,875,919
Part D, Not Auto-Enrolled	\$71,456,236	\$48,772,381	\$120,228,617
Not Enrolled in Part D	\$1,987,949	\$2,343,147	\$4,331,096
All PACE/PACENET Enrolled	\$182,106,781	\$118,328,851	\$300,435,632

**TABLE 4.4**  
**PART D CARDHOLDER ENROLLMENT, PARTICIPATION, AND EXPENDITURES**  
**JANUARY - DECEMBER 2007**

	<b>PACE</b>	<b>PACENET</b>	<b>TOTAL</b>
TPL Share Per Claim			
Part D, Auto-Enrolled	\$28.94	\$24.65	\$27.14
Part D, Not Auto-Enrolled	\$28.00	\$25.69	\$27.01
Not Enrolled in Part D	\$2.48	\$3.38	\$2.90
All PACE/PACENET Enrolled	\$25.62	\$22.25	\$24.18
Total Expenditures (State, Cardholder, TPL)			
Part D, Auto-Enrolled	\$212,636,420	\$161,153,960	\$373,790,380
Part D, Not Auto-Enrolled	\$145,983,950	\$117,022,283	\$263,006,233
Not Enrolled in Part D	\$46,553,275	\$41,333,845	\$87,887,120
All PACE/PACENET Enrolled	\$405,173,645	\$319,510,089	\$724,683,734
Part D LIS Status Among Auto-Enrolled			
Full LIS	28,733	2,589	30,374
Partial LIS	7,018	1,559	7,817
No LIS	61,760	62,861	111,299
Total Auto-enrolled Cardholders	97,511	67,009	149,490
Part D LIS Status Among Other Part D Enrolled			
Full LIS	32,909	4,384	35,848
Partial LIS	6,914	2,714	8,703
No LIS	38,950	60,750	90,139
Total Other Part D Enrolled Cardholders	78,773	67,848	134,690

Notes: Auto-enrolled cardholders include individuals who were auto-enrolled by PACE/PACENET into Part D plans on 9/1/06 or 1/1/07. 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 2007**



SOURCE: PDA/MONTHLY 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 2007**

<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	209,201	173,555	350,532	100.0	291,323	2,981	\$324,788,341	7,107,338	5,318,517	\$180,186,900	\$144,601,442	
ADAMS	1,434	1,459	2,624	0.7	2,268	19	\$2,339,898	51,673	51,436	\$1,109,223	\$1,230,675	
ALLEGHENY	20,018	14,873	32,267	9.2	26,689	324	\$28,789,723	695,664	457,303	\$16,623,345	\$12,166,378	
ARMSTRONG	1,407	1,180	2,353	0.7	1,961	24	\$1,995,556	45,157	35,206	\$1,120,710	\$874,846	
BEAVER	3,366	2,921	5,767	1.6	4,865	44	\$5,339,089	122,322	95,773	\$2,648,259	\$2,690,830	
BEDFORD	1,478	1,267	2,478	0.7	2,064	15	\$2,418,818	50,947	37,105	\$1,416,732	\$1,002,085	
BERKS	5,412	5,717	10,143	2.9	8,396	61	\$8,603,408	176,762	176,150	\$4,133,015	\$4,470,393	
BLAIR	3,166	2,853	5,493	1.6	4,620	39	\$5,088,077	121,361	95,178	\$2,670,264	\$2,417,812	
BRADFORD	1,554	1,333	2,650	0.8	2,147	17	\$2,029,878	43,343	37,029	\$1,021,672	\$1,008,206	
BUCKS	5,476	4,998	9,557	2.7	7,958	135	\$12,316,257	201,120	163,664	\$6,817,080	\$5,499,177	
BUTLER	2,459	2,152	4,231	1.2	3,556	41	\$4,036,191	95,278	66,815	\$2,242,405	\$1,793,785	
CAMBRIA	3,895	2,974	6,345	1.8	5,329	42	\$5,567,038	132,449	91,359	\$3,160,397	\$2,406,641	
CAMERON	120	118	217	0.1	168	4	\$147,356	2,328	2,330	\$68,927	\$78,430	
CARBON	1,761	1,493	2,982	0.9	2,496	15	\$2,541,943	61,300	43,773	\$1,370,626	\$1,171,318	
CENTRE	1,330	1,252	2,333	0.7	1,922	32	\$1,730,675	42,998	37,715	\$868,198	\$862,476	
CHESTER	3,318	2,905	5,703	1.6	4,684	96	\$5,927,777	118,416	85,234	\$3,232,792	\$2,694,984	
CLARION	899	960	1,667	0.5	1,396	17	\$1,399,114	26,498	26,019	\$684,489	\$714,624	
CLEARFIELD	2,113	2,007	3,715	1.1	3,109	19	\$3,713,134	73,366	59,412	\$2,107,412	\$1,605,722	
CLINTON	1,012	1,025	1,852	0.5	1,526	8	\$1,599,000	29,739	27,318	\$887,500	\$711,500	
COLUMBIA	1,846	1,560	3,079	0.9	2,637	18	\$3,097,738	65,757	46,288	\$1,856,177	\$1,241,561	
CRAWFORD	1,791	1,812	3,294	0.9	2,732	20	\$2,421,220	56,866	50,849	\$1,185,507	\$1,235,713	
CUMBERLAND	2,647	2,623	4,792	1.4	4,099	62	\$4,460,585	96,588	90,134	\$2,185,552	\$2,275,033	
DAUPHIN	2,809	2,353	4,718	1.3	3,935	55	\$3,900,057	95,188	75,031	\$2,074,261	\$1,825,797	
DELAWARE	5,952	4,875	9,966	2.8	8,174	141	\$11,308,581	198,959	149,933	\$6,324,268	\$4,984,313	
ELK	762	1,007	1,596	0.5	1,337	8	\$1,387,534	21,854	30,140	\$559,044	\$828,490	
ERIE	4,371	4,060	7,673	2.2	6,312	62	\$6,241,309	146,390	117,547	\$3,230,496	\$3,010,814	
FAYETTE	3,526	2,477	5,526	1.6	4,591	44	\$4,786,754	109,815	70,614	\$2,812,635	\$1,974,119	
FOREST	143	139	252	0.1	199	2	\$214,129	4,691	4,184	\$111,214	\$102,916	
FRANKLIN	1,946	1,849	3,493	1.0	2,941	23	\$3,294,735	66,940	61,998	\$1,565,652	\$1,729,083	
FULTON	303	271	518	0.1	418	4	\$412,541	6,111	6,605	\$189,838	\$222,703	
GREENE	618	430	962	0.3	790	8	\$706,150	20,032	12,838	\$393,366	\$312,785	

**TABLE 5.1  
NUMBER AND PERCENT OF PACE AND PACENET CARDHOLDERS  
AND NUMBER OF PROVIDERS BY COUNTY  
JANUARY - DECEMBER 2007**

<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>PACE</u>		<u>PACENET</u>	
	<u>PACE</u>	<u>PACENET</u>						<u>ENROLLED*</u>	<u>ENROLLED</u>	<u>CLAIMS</u>	<u>STATE SHARE</u>
HUNTINGDON	1,039	872	1,740	0.5	1,460	RURAL	\$1,463,344	28,620	23,383	\$809,343	\$654,001
INDIANA	1,495	1,258	2,536	0.7	2,126	RURAL	\$2,237,735	51,459	41,051	\$1,221,040	\$1,016,694
JEFFERSON	1,254	1,252	2,267	0.6	1,878	SEMIRURAL	\$2,017,003	35,677	35,166	\$1,024,015	\$992,988
JUNIATA	519	549	969	0.3	824	RURAL	\$1,180,167	17,920	18,276	\$573,873	\$606,294
LACKAWANNA	6,759	5,014	10,850	3.1	9,329	URBAN	\$11,928,977	240,760	158,698	\$7,180,174	\$4,748,803
LANCASTER	5,578	6,369	10,825	3.1	9,160	SUBURBAN	\$9,482,371	206,415	222,011	\$4,487,886	\$4,994,486
LAWRENCE	2,361	2,044	4,046	1.2	3,393	SEMIRURAL	\$3,596,442	82,181	65,556	\$1,879,767	\$1,716,675
LEBANON	1,983	1,956	3,576	1.0	2,966	SEMIRURAL	\$3,035,489	69,395	63,345	\$1,500,101	\$1,535,388
LEHIGH	4,301	4,239	7,847	2.2	6,546	URBAN	\$6,638,767	140,378	126,813	\$3,339,074	\$3,299,693
LUZERNE	11,315	7,950	17,792	5.1	14,970	SUBURBAN	\$16,931,861	412,647	248,778	\$10,069,299	\$6,862,562
LYCOMING	2,554	2,438	4,515	1.3	3,786	SUBURBAN	\$3,807,904	87,352	74,730	\$1,878,254	\$1,929,650
MCKEAN	947	942	1,704	0.5	1,397	SEMIRURAL	\$1,373,303	27,375	27,843	\$637,346	\$735,957
MERCER	2,327	2,590	4,474	1.3	3,619	SUBURBAN	\$3,919,174	76,383	78,145	\$1,843,079	\$2,076,096
MIFFLIN	1,367	1,477	2,567	0.7	2,226	RURAL	\$2,925,118	58,000	53,241	\$1,511,759	\$1,413,359
MONROE	1,880	1,712	3,247	0.9	2,678	RURAL	\$2,947,803	63,471	54,965	\$1,504,736	\$1,443,067
MONTGOMERY	7,188	6,540	12,544	3.6	10,306	URBAN	\$14,333,517	252,475	194,870	\$7,950,318	\$6,383,199
MONTOUR	322	298	575	0.2	499	SEMIRURAL	\$596,808	13,000	9,918	\$359,490	\$237,318
NORTHAMPTON	5,117	5,429	9,642	2.8	8,109	SUBURBAN	\$8,278,996	175,461	173,066	\$3,908,757	\$4,370,239
NORTHUMBERLAND	3,474	2,382	5,379	1.5	4,592	SEMIRURAL	\$4,847,099	131,921	74,180	\$2,945,810	\$1,901,289
PERRY	754	667	1,288	0.4	1,108	RURAL	\$1,192,288	25,080	22,093	\$612,505	\$579,784
PHILADELPHIA	26,685	14,106	37,709	10.8	30,231	URBAN	\$36,245,216	794,655	387,556	\$23,950,207	\$12,295,010
PIKE	724	634	1,221	0.3	955	RURAL	\$1,017,755	20,052	16,835	\$554,991	\$462,764
POTTER	446	392	757	0.2	592	RURAL	\$494,045	12,628	9,697	\$272,126	\$221,919
SCHUYLKILL	5,695	3,991	8,932	2.5	7,549	SEMIRURAL	\$7,540,806	196,771	118,192	\$4,482,525	\$3,058,281
SNYDER	675	680	1,243	0.4	1,082	RURAL	\$1,262,563	26,642	23,274	\$721,763	\$540,800
SOMERSET	2,258	1,771	3,725	1.1	3,071	RURAL	\$3,293,662	80,104	50,626	\$1,983,950	\$1,309,713
SULLIVAN	204	155	325	0.1	253	RURAL	\$262,740	5,910	4,065	\$146,105	\$116,635
SUSQUEHANNA	1,010	754	1,588	0.5	1,301	RURAL	\$1,181,034	29,370	20,525	\$643,367	\$537,666
TIOGA	953	861	1,625	0.5	1,344	RURAL	\$1,316,026	30,202	24,246	\$670,142	\$645,885
UNION	647	639	1,170	0.3	1,013	SEMIRURAL	\$1,144,146	24,397	22,086	\$610,041	\$534,104

**TABLE 5.1  
NUMBER AND PERCENT OF PACE AND PACENET CARDHOLDERS  
AND NUMBER OF PROVIDERS BY COUNTY  
JANUARY - DECEMBER 2007**

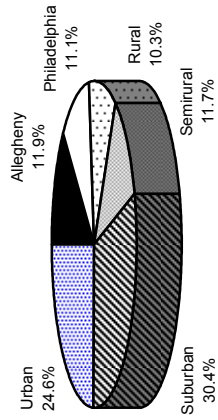
<u>COUNTY</u>	<u>NUMBER OF PACE ENROLLED CARDHOLDERS</u>	<u>NUMBER OF PACENET ENROLLED CARDHOLDERS</u>	<u>TOTAL NUMBER ENROLLED*</u>	<u>% OF TOTAL</u>	<u>NUMBER OF PARTICIPATING CARDHOLDERS</u>	<u>NUMBER OF PROVIDERS</u>	<u>TYPE OF COUNTY</u>	<u>STATE SHARE</u>	<u>PACE</u>		<u>PACENET</u>	
									<u>CLAIMS</u>	<u>STATE SHARE</u>	<u>CLAIMS</u>	<u>STATE SHARE</u>
VENANGO	1,001	1,095	1,871	0.5	1,522	14	SEMIRURAL	\$1,629,518	31,113	31,943	\$759,689	\$869,829
WARREN	607	681	1,162	0.3	917	10	SEMIRURAL	\$810,726	16,445	17,814	\$369,882	\$440,844
WASHINGTON	3,726	3,080	6,247	1.8	5,233	51	SUBURBAN	\$5,437,400	134,372	95,532	\$3,027,874	\$2,409,526
WAYNE	1,098	862	1,776	0.5	1,487	13	RURAL	\$1,561,320	32,880	21,867	\$927,766	\$633,554
WESTMORELAND	7,650	6,219	12,692	3.6	10,600	87	SUBURBAN	\$10,820,776	269,695	188,497	\$6,099,411	\$4,721,365
WYOMING	639	451	999	0.3	850	11	RURAL	\$1,084,659	24,679	14,672	\$698,052	\$386,607
YORK	5,717	6,263	10,861	3.1	9,032	79	SUBURBAN	\$9,137,516	201,541	199,982	\$4,361,326	\$4,776,190

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

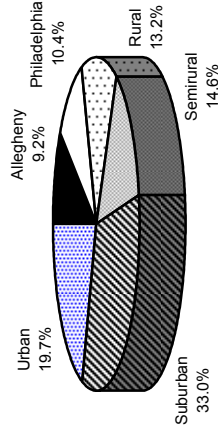
3 SOURCE: PDA/CARDHOLDER FILE; CLAIMS HISTORY  
NOTE: DATA INCLUDE ORIGINAL, PAID CLAIMS BY DATE OF SERVICE.

**FIGURE 5.1**  
**PACE AND PACENET CARDHOLDER, CLAIM, AND PROVIDER INFORMATION**  
**BY COUNTY TYPE**  
**JANUARY - DECEMBER 2007**

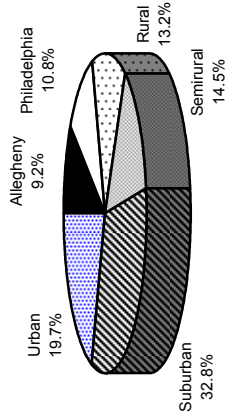
**PENNSYLVANIA SENIOR  
 CITIZEN POPULATION  
 N = 1,919,165**



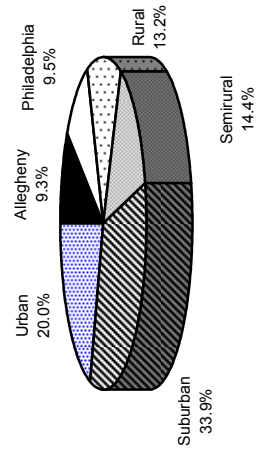
**PARTICIPATING  
 CARDHOLDERS  
 N = 291,323**



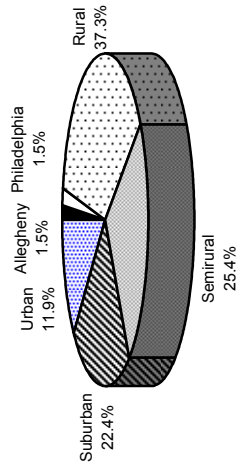
**ENROLLED  
 CARDHOLDERS  
 N = 350,532**



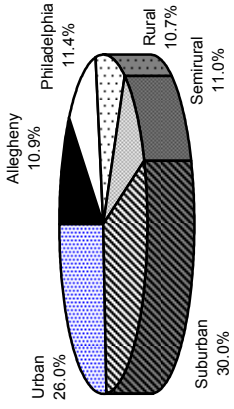
**TOTAL CLAIMS  
 N = 12,425,855**



**PENNSYLVANIA COUNTIES  
 N = 67**



**PACE PROVIDERS  
 N = 2,981**



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 2007**

PROVIDER TYPE	PROVIDERS		JULY - DEC		JAN - JUNE		CLAIMS		JULY - DEC		EXPENDITURES		JULY - DEC		PERCENT OF CLAIMS REDUCED TO AWP-12%+\$4.00	
	NO.	%	NO.	%	NO.	%	NO.	%	NO.	%	AMOUNT	%	AMOUNT	%	JUNE	DEC
INDEPENDENT PHARMACIES	1,024	35.6	1,033	35.5	1,368,322	37.3	1,294,544	37.2	\$33,444,381	40.9	\$40,302,083	41.3	33.0	26.5		
DISPENSING PHYSICIANS	4	0.1	4	0.1	40	< 0.1	17	< 0.1	\$4,882	< 0.1	\$505	< 0.1	0.0	0.0		
INSTITUTIONAL PHARMACIES	25	0.9	27	0.9	16,101	0.4	14,078	0.4	\$483,872	0.6	\$501,718	0.5	36.8	36.8		
CHAIN PHARMACIES	1,774	61.7	1,796	61.7	2,216,337	60.4	2,100,248	60.4	\$46,071,439	56.3	\$54,603,552	55.9	23.2	16.1		
NURSING HOME PHARMACIES	39	1.4	38	1.3	56,604	1.5	53,579	1.5	\$1,132,029	1.4	\$1,481,950	1.5	33.9	24.3		
MAIL ORDER PHARMACIES	11	0.4	12	0.4	12,959	0.4	15,906	0.5	\$654,499	0.8	\$759,910	0.8	26.9	22.2		
TOTAL	2,877	100.0	2,910	100.0	3,670,363	100.0	3,478,372	100.0	\$81,791,102	100.0	\$97,649,718	100.0	27.1	20.2		

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 2007**

PROVIDER TYPE	BRAND SINGLE-SOURCE		BRAND MULTI-SOURCE		GENERIC		TOTAL	
	JAN - JUNE NO.	%	JAN - JUNE NO.	%	JAN - JUNE NO.	%	JAN - JUNE NO.	%
INDEPENDENT PHARMACIES	496,231	36.3	137,544	10.1	734,547	53.7	1,368,322	100.0
DISPENSING PHYSICIANS	8	20.0	32	80.0	0	0.0	40	100.0
INSTITUTIONAL PHARMACIES	5,403	33.6	1,611	10.0	9,087	56.4	16,101	100.0
CHAIN PHARMACIES	746,133	33.7	191,504	8.6	1,278,700	57.7	2,216,337	100.0
NURSING HOME PHARMACIES	18,942	33.5	5,112	9.0	32,550	57.5	56,604	100.0
MAIL ORDER PHARMACIES	5,083	39.2	1,588	12.3	6,288	48.5	12,959	100.0
<b>TOTAL</b>	<b>1,271,800</b>	<b>34.7</b>	<b>337,391</b>	<b>9.2</b>	<b>2,061,172</b>	<b>56.2</b>	<b>3,670,363</b>	<b>100.0</b>

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 2007**

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	\$22,195,676	\$27,643,770	\$5,050,173	\$4,555,111	\$6,198,532	\$8,103,202	\$33,444,381	\$40,302,083
	66.4	68.6	15.1	11.3	18.5	20.1	100.0	100.0
DISPENSING PHYSICIANS	\$3,861	\$415	\$1,021	\$90	\$0	\$0	\$4,882	\$505
	79.1	82.2	20.9	17.8	0.0	0.0	100.0	100.0
INSTITUTIONAL PHARMACIES	\$312,971	\$327,887	\$55,773	\$39,219	\$115,128	\$134,612	\$483,872	\$501,718
	64.7	65.4	11.5	7.8	23.8	26.8	100.0	100.0
CHAIN PHARMACIES	\$31,569,782	\$38,916,289	\$6,464,892	\$6,165,791	\$8,036,764	\$9,521,471	\$46,071,438	\$54,603,552
	68.5	71.3	14.0	11.3	17.4	17.4	100.0	100.0
NURSING HOME PHARMACIES	\$789,121	\$1,058,414	\$163,850	\$149,668	\$179,057	\$273,869	\$1,132,028	\$1,481,951
	69.7	71.4	14.5	10.1	15.8	18.5	100.0	100.0
MAIL ORDER PHARMACIES	\$540,987	\$598,474	\$65,475	\$73,848	\$48,037	\$87,588	\$654,499	\$759,910
	82.7	78.8	10.0	9.7	7.3	11.5	100.0	100.0
TOTAL	\$55,412,398	\$68,545,249	\$11,801,184	\$10,983,727	\$14,577,518	\$18,120,742	\$81,791,100	\$97,649,719
	67.7	70.2	14.4	11.2	17.8	18.6	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 2007**

<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	\$44.73	\$61.32	\$36.72	\$52.65	\$8.44	\$10.70	\$24.44	\$31.13
DISPENSING PHYSICIANS	\$482.65	\$34.57	\$31.90	\$18.02	\$0.00	\$0.00	\$122.05	\$29.71
INSTITUTIONAL PHARMACIES	\$57.93	\$68.28	\$34.62	\$47.83	\$12.67	\$15.92	\$30.05	\$35.64
CHAIN PHARMACIES	\$42.31	\$56.12	\$33.76	\$49.62	\$6.29	\$7.42	\$20.79	\$26.00
NURSING HOME PHARMACIES	\$41.66	\$62.68	\$32.05	\$48.72	\$5.50	\$8.15	\$20.00	\$27.66
MAIL ORDER PHARMACIES	\$106.43	\$102.88	\$41.23	\$61.54	\$7.64	\$9.85	\$50.51	\$47.78
ALL PROVIDER TYPES	\$43.57	\$58.50	\$34.98	\$50.88	\$7.07	\$8.67	\$22.28	\$28.07

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 2007**

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	1,118	1,058	111,807	1,872,964	1,984,771	37.4	\$21,553,851	\$44,949,224	\$57,057,524	\$123,560,599	38.8
DISPENSING PHYSICIANS	53	5	2	64	66	0.0	\$968	\$51,518	\$11,988	\$64,474	0.0
INSTITUTIONAL PHARMACIES	29	28	1,433	12,222	13,655	0.3	\$151,813	\$330,337	\$432,850	\$915,000	0.3
CHAIN PHARMACIES	1,922	1,819	216,489	2,968,820	3,185,309	60.1	\$33,473,451	\$69,615,960	\$80,876,311	\$183,965,722	57.8
NURSING HOME PHARMACIES	42	40	3,163	72,524	75,687	1.4	\$732,540	\$1,558,320	\$1,894,999	\$4,185,859	1.3
MAIL ORDER PHARMACIES	21	12	1,292	41,445	42,737	0.8	\$637,114	\$3,017,988	\$1,779,400	\$5,434,502	1.7
TOTAL (ALL PROVIDERS)	3,185	2,962	334,186	4,968,039	5,302,225	100.0	\$56,549,737	\$119,523,347	\$142,053,072	\$318,126,156	100.0

<sup>1</sup>IN 2007, THE MONTHLY PACENET DEDUCTIBLE WAS CHANGED TO \$28.45 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 2007**

**DEDUCTIBLE PHASE CLAIMS**

PROVIDER TYPE	BRAND SINGLE-SOURCE		BRAND MULTI-SOURCE		GENERIC		TOTAL (ALL PRODUCTS)	
	NO.	%	NO.	%	NO.	%	NO.	%
INDEPENDENT PHARMACIES	35,417	31.7	8,127	7.3	68,263	61.1	111,807	100.0
DISPENSING PHYSICIANS	2	100.0	0.0	0.0	0.0	0.0	2	100.0
INSTITUTIONAL PHARMACIES	339	23.7	102	7.1	992	69.2	1,433	100.0
CHAIN PHARMACIES	65,721	30.4	13,855	6.4	136,913	63.2	216,489	100.0
NURSING HOME PHARMACIES	1,003	31.7	218	6.9	1,942	61.4	3,163	100.0
MAIL ORDER PHARMACIES	434	33.6	61	4.7	797	61.7	1,292	100.0
TOTAL (ALL PROVIDERS)	102,916	30.8	22,363	6.7	208,907	62.5	334,186	100.0

**COPAYMENT PHASE CLAIMS**

PROVIDER TYPE	BRAND SINGLE-SOURCE		BRAND MULTI-SOURCE		GENERIC		TOTAL (ALL PRODUCTS)	
	NO.	%	NO.	%	NO.	%	NO.	%
INDEPENDENT PHARMACIES	691,665	36.9	158,686	8.5	1,022,613	54.6	1,872,964	100.0
DISPENSING PHYSICIANS	40	62.5	13	20.3	11	17.2	64	100.0
INSTITUTIONAL PHARMACIES	3,904	31.9	927	7.6	7,391	60.5	12,222	100.0
CHAIN PHARMACIES	1,017,783	34.3	216,649	7.3	1,734,388	58.4	2,968,820	100.0
NURSING HOME PHARMACIES	23,634	32.6	5,307	7.3	43,583	60.1	72,524	100.0
MAIL ORDER PHARMACIES	15,803	38.1	3,240	7.8	22,402	54.1	41,445	100.0
TOTAL (ALL PROVIDERS)	1,752,829	35.3	384,822	7.8	2,830,388	57.0	4,968,039	100.0

<sup>1</sup>IN 2007, THE MONTHLY PACENET DEDUCTIBLE WAS CHANGED TO \$28.45 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 2007**

**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	\$1,366,666	48.9	\$279,540	10.0	\$1,149,907	41.1	\$2,796,113	100.0
OTHER PAYER EXPENDITURES	\$394,232	73.5	\$61,408	11.5	\$80,660	15.0	\$536,300	100.0
STATE SHARE EXPENDITURES	\$2,324,605	70.4	\$348,065	10.6	\$627,939	19.0	\$3,300,610	100.0
TOTAL EXPENDITURES	\$4,085,503	61.6	\$689,014	10.4	\$1,858,506	28.0	\$6,633,023	100.0
<b>DISPENSING PHYSICIANS</b>								
CARDHOLDER EXPENDITURES	\$85	100.0	\$0	0.0	\$0	0.0	\$85	100.0
OTHER PAYER EXPENDITURES	\$3,487	100.0	\$0	0.0	\$0	0.0	\$3,487	100.0
STATE SHARE EXPENDITURES	\$832	100.0	\$0	0.0	\$0	0.0	\$832	100.0
TOTAL EXPENDITURES	\$4,404	100.0	\$0	0.0	\$0	0.0	\$4,404	100.0
<b>INSTITUTIONAL PHARMACIES</b>								
CARDHOLDER EXPENDITURES	\$13,752	35.8	\$3,178	8.3	\$21,451	55.9	\$38,382	100.0
OTHER PAYER EXPENDITURES	\$6,432	77.2	\$1,304	15.7	\$591	7.1	\$8,327	100.0
STATE SHARE EXPENDITURES	\$31,148	69.9	\$2,014	4.5	\$11,386	25.6	\$44,548	100.0
TOTAL EXPENDITURES	\$51,332	56.3	\$6,496	7.1	\$33,428	36.6	\$91,257	100.0
<b>CHAIN PHARMACIES</b>								
CARDHOLDER EXPENDITURES	\$2,549,147	50.4	\$477,618	9.4	\$2,031,814	40.2	\$5,058,578	100.0
OTHER PAYER EXPENDITURES	\$702,184	68.4	\$108,308	10.6	\$216,014	21.0	\$1,026,505	100.0
STATE SHARE EXPENDITURES	\$4,195,832	73.5	\$655,536	11.5	\$855,138	15.0	\$5,706,505	100.0
TOTAL EXPENDITURES	\$7,447,163	63.2	\$1,241,461	10.5	\$3,102,965	26.3	\$11,791,589	100.0
<b>NURSING HOME PHARMACIES</b>								
CARDHOLDER EXPENDITURES	\$33,576	50.8	\$6,356	9.6	\$26,124	39.6	\$66,056	100.0
OTHER PAYER EXPENDITURES	\$27,962	73.9	\$3,819	10.1	\$6,063	16.0	\$37,844	100.0
STATE SHARE EXPENDITURES	\$51,640	74.9	\$4,959	7.2	\$12,383	18.0	\$68,983	100.0
TOTAL EXPENDITURES	\$113,178	65.5	\$15,135	8.8	\$44,570	25.8	\$172,883	100.0
<b>MAIL ORDER PHARMACIES</b>								
CARDHOLDER EXPENDITURES	\$16,522	52.9	\$1,815	5.8	\$12,905	41.3	\$31,243	100.0
OTHER PAYER EXPENDITURES	\$3,834	52.1	\$3,296	44.8	\$231	3.1	\$7,361	100.0
STATE SHARE EXPENDITURES	\$134,997	93.1	\$3,217	2.2	\$6,853	4.7	\$145,067	100.0
TOTAL EXPENDITURES	\$155,354	84.6	\$8,327	4.5	\$19,989	10.9	\$183,671	100.0
<b>TOTAL (ALL PROVIDERS)</b>								
CARDHOLDER EXPENDITURES	\$3,979,749	49.8	\$768,508	9.6	\$3,242,201	40.6	\$7,990,458	100.0
OTHER PAYER EXPENDITURES	\$1,138,131	70.3	\$178,134	11.0	\$303,559	18.7	\$1,619,824	100.0
STATE SHARE EXPENDITURES	\$6,739,055	72.7	\$1,013,791	10.9	\$1,513,699	16.3	\$9,266,545	100.0
TOTAL EXPENDITURES	\$11,856,935	62.8	\$1,960,433	10.4	\$5,059,459	26.8	\$18,876,827	100.0

<sup>1</sup>IN 2007, THE MONTHLY PACENET DEDUCTIBLE WAS CHANGED TO \$28.45 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 \$28.45 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 2007**

**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	\$10,092,020	53.8	\$2,225,577	11.9	\$6,440,141	34.3	\$18,757,738	100.0
OTHER PAYER EXPENDITURES	\$31,381,184	70.7	\$5,428,515	12.2	\$7,603,224	17.1	\$44,412,924	100.0
STATE SHARE EXPENDITURES	\$37,623,215	70.0	\$6,809,753	12.7	\$9,323,946	17.3	\$53,756,914	100.0
TOTAL EXPENDITURES	\$79,096,419	67.7	\$14,463,846	12.4	\$23,367,310	20.0	\$116,927,576	100.0
<b>DISPENSING PHYSICIANS</b>								
CARDHOLDER EXPENDITURES	\$600	68.0	\$195	22.1	\$88	10.0	\$883	100.0
OTHER PAYER EXPENDITURES	\$45,772	95.3	\$1,629	3.4	\$629	1.3	\$48,031	100.0
STATE SHARE EXPENDITURES <sup>1</sup>	\$10,700	95.9	\$387	3.5	\$69	0.6	\$11,156	100.0
TOTAL EXPENDITURES	\$57,072	95.0	\$2,212	3.7	\$786	1.3	\$60,070	100.0
<b>INSTITUTIONAL PHARMACIES</b>								
CARDHOLDER EXPENDITURES	\$56,115	49.5	\$12,138	10.7	\$45,179	39.8	\$113,431	100.0
OTHER PAYER EXPENDITURES	\$239,847	74.5	\$24,221	7.5	\$57,941	18.0	\$322,010	100.0
STATE SHARE EXPENDITURES	\$276,324	71.2	\$28,552	7.4	\$83,426	21.5	\$388,302	100.0
TOTAL EXPENDITURES	\$572,286	69.5	\$64,912	7.9	\$186,546	22.7	\$823,743	100.0
<b>CHAIN PHARMACIES</b>								
CARDHOLDER EXPENDITURES	\$15,015,641	52.8	\$3,088,855	10.9	\$10,310,376	36.3	\$28,414,873	100.0
OTHER PAYER EXPENDITURES	\$46,458,985	67.7	\$7,367,279	10.7	\$14,763,192	21.5	\$68,589,455	100.0
STATE SHARE EXPENDITURES	\$54,164,658	72.1	\$9,552,843	12.7	\$11,452,304	15.2	\$75,169,806	100.0
TOTAL EXPENDITURES	\$115,639,284	67.2	\$20,008,977	11.6	\$36,525,872	21.2	\$172,174,133	100.0
<b>NURSING HOME PHARMACIES</b>								
CARDHOLDER EXPENDITURES	\$336,095	50.4	\$70,659	10.6	\$259,729	39.0	\$666,484	100.0
OTHER PAYER EXPENDITURES	\$1,026,249	67.5	\$176,840	11.6	\$317,387	20.9	\$1,520,477	100.0
STATE SHARE EXPENDITURES	\$1,294,520	70.9	\$222,452	12.2	\$309,043	16.9	\$1,826,016	100.0
TOTAL EXPENDITURES	\$2,656,865	66.2	\$469,952	11.7	\$886,159	22.1	\$4,012,976	100.0
<b>MAIL ORDER PHARMACIES</b>								
CARDHOLDER EXPENDITURES	\$326,803	53.9	\$59,215	9.8	\$219,852	36.3	\$605,871	100.0
OTHER PAYER EXPENDITURES	\$2,278,736	75.7	\$231,645	7.7	\$500,247	16.6	\$3,010,627	100.0
STATE SHARE EXPENDITURES	\$1,351,575	82.7	\$128,309	7.9	\$154,450	9.5	\$1,634,333	100.0
TOTAL EXPENDITURES	\$3,957,114	75.4	\$419,169	8.0	\$874,549	16.7	\$5,250,831	100.0
<b>TOTAL (ALL PROVIDERS)</b>								
CARDHOLDER EXPENDITURES	\$25,827,274	53.2	\$5,456,640	11.2	\$17,275,365	35.6	\$48,559,279	100.0
OTHER PAYER EXPENDITURES	\$81,430,773	69.1	\$13,230,130	11.2	\$23,242,620	19.7	\$117,903,523	100.0
STATE SHARE EXPENDITURES	\$94,720,992	71.3	\$16,742,298	12.6	\$21,323,238	16.1	\$132,786,527	100.0
TOTAL EXPENDITURES	\$201,979,039	67.5	\$35,429,067	11.8	\$61,841,223	20.7	\$299,249,329	100.0

<sup>1</sup>IN 2007, THE MONTHLY PACENET DEDUCTIBLE WAS CHANGED TO \$28.45 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 \$28.45 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 2007**

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>	\$38.59	\$34.40	\$16.85	\$25.01	\$14.59	\$14.03	\$6.30	\$10.02
AVERAGE OTHER PAYER SHARE	\$11.13	\$7.56	\$1.18	\$4.80	\$45.37	\$34.21	\$7.44	\$23.71
AVERAGE STATE SHARE	\$65.64	\$42.83	\$9.20	\$29.52	\$54.40	\$42.91	\$9.12	\$28.70
AVERAGE TOTAL RX COST	\$115.35	\$84.78	\$27.23	\$59.33	\$114.36	\$91.15	\$22.85	\$62.43
<b>DISPENSING PHYSICIANS</b>								
AVERAGE CARDHOLDER SHARE <sup>2</sup>	\$42.59	\$0.00	\$0.00	\$42.59	\$15.00	\$15.00	\$8.00	\$13.80
AVERAGE OTHER PAYER SHARE	\$1,743.61	\$0.00	\$0.00	\$1,743.61	\$1,144.30	\$125.34	\$57.19	\$750.48
AVERAGE STATE SHARE	\$415.82	\$0.00	\$0.00	\$415.82	\$267.49	\$29.79	\$6.30	\$174.31
AVERAGE TOTAL RX COST	\$2,202.02	\$0.00	\$0.00	\$2,202.02	\$1,426.79	\$170.13	\$71.49	\$938.59
<b>INSTITUTIONAL PHARMACIES</b>								
AVERAGE CARDHOLDER SHARE <sup>2</sup>	\$40.57	\$31.16	\$21.62	\$26.78	\$14.37	\$13.09	\$6.11	\$9.28
AVERAGE OTHER PAYER SHARE	\$18.97	\$12.78	\$0.60	\$5.81	\$61.44	\$26.13	\$7.84	\$26.35
AVERAGE STATE SHARE	\$91.88	\$19.74	\$11.48	\$31.09	\$70.78	\$30.80	\$11.29	\$31.77
AVERAGE TOTAL RX COST	\$151.42	\$63.69	\$33.70	\$63.68	\$146.59	\$70.02	\$25.24	\$67.40
<b>CHAIN PHARMACIES</b>								
AVERAGE CARDHOLDER SHARE <sup>2</sup>	\$38.79	\$34.47	\$14.84	\$23.37	\$14.75	\$14.26	\$5.94	\$9.57
AVERAGE OTHER PAYER SHARE	\$10.68	\$7.82	\$1.58	\$4.74	\$45.65	\$34.01	\$8.51	\$23.10
AVERAGE STATE SHARE	\$63.84	\$47.31	\$6.25	\$26.36	\$53.22	\$44.09	\$6.60	\$25.32
AVERAGE TOTAL RX COST	\$113.31	\$89.60	\$22.66	\$54.47	\$113.62	\$92.36	\$21.06	\$57.99
<b>NURSING HOME PHARMACIES</b>								
AVERAGE CARDHOLDER SHARE <sup>2</sup>	\$33.48	\$29.16	\$13.45	\$20.88	\$14.22	\$13.31	\$5.96	\$9.19
AVERAGE OTHER PAYER SHARE	\$27.88	\$17.52	\$3.12	\$11.96	\$43.42	\$33.32	\$7.28	\$20.97
AVERAGE STATE SHARE	\$51.49	\$22.75	\$6.38	\$21.81	\$54.77	\$41.92	\$7.09	\$25.18
AVERAGE TOTAL RX COST	\$112.84	\$69.43	\$22.95	\$54.66	\$112.42	\$88.55	\$20.33	\$55.33
<b>MAIL ORDER PHARMACIES</b>								
AVERAGE CARDHOLDER SHARE <sup>2</sup>	\$38.07	\$29.76	\$16.19	\$24.18	\$20.68	\$18.28	\$9.81	\$14.62
AVERAGE OTHER PAYER SHARE	\$8.84	\$54.02	\$0.29	\$5.70	\$144.20	\$71.50	\$22.33	\$72.64
AVERAGE STATE SHARE	\$311.05	\$52.73	\$8.60	\$112.28	\$85.53	\$39.60	\$6.89	\$39.43
AVERAGE TOTAL RX COST	\$357.96	\$136.51	\$25.08	\$142.16	\$250.40	\$129.37	\$39.04	\$126.69
<b>TOTAL (ALL PROVIDERS)</b>								
AVERAGE CARDHOLDER SHARE <sup>2</sup>	\$38.67	\$34.37	\$15.52	\$23.91	\$14.73	\$14.18	\$6.10	\$9.77
AVERAGE OTHER PAYER SHARE	\$11.06	\$7.97	\$1.45	\$4.85	\$46.46	\$34.38	\$8.21	\$23.73
AVERAGE STATE SHARE	\$65.48	\$45.33	\$7.25	\$27.73	\$54.04	\$43.51	\$7.53	\$26.73
AVERAGE TOTAL RX COST	\$115.21	\$87.66	\$24.22	\$56.49	\$115.23	\$92.07	\$21.85	\$60.23

<sup>1</sup>IN 2007, THE MONTHLY PACENET DEDUCTIBLE WAS CHANGED TO \$28.45 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 \$28.45 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 2007**

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-INFEKTIVE AGENTS	182,198	2.6%	\$3,513,606.12	1.9%	73,221	41.3%	\$47.99	\$16.80	
QUINOLONES	44,116	0.6%	\$993,764.77	0.6%	28,872	16.3%	\$34.42	\$4.75	
CEPHALOSPORINS	21,087	0.3%	\$166,633.20	0.1%	14,911	8.4%	\$11.18	\$0.80	
ANTINEOPLASTIC AGENTS	38,938	0.5%	\$4,003,310.43	2.2%	6,761	3.8%	\$592.12	\$19.14	
AUTONOMIC DRUGS	230,677	3.2%	\$10,509,261.88	5.8%	42,095	23.7%	\$249.66	\$50.24	
ANTICHOLINERGICS	57,674	0.8%	\$2,299,616.50	1.3%	12,990	7.3%	\$177.03	\$10.99	
ADRENERGIC AGENTS	77,069	1.1%	\$1,985,978.56	1.1%	19,915	11.2%	\$99.72	\$9.49	
BLOOD FORMATION & COAGULATION AGENTS	317,965	4.5%	\$12,775,647.04	7.1%	43,156	24.3%	\$296.03	\$61.07	
CARDIOVASCULAR DRUGS	2,488,211	35.0%	\$49,695,318.39	27.6%	145,778	82.2%	\$340.90	\$237.55	
CARDIAC DRUGS	1,643,907	23.1%	\$26,493,226.90	14.7%	131,360	74.1%	\$201.68	\$126.64	
ANGIOTENSION RECEPTOR BLOCKERS	299,129	4.2%	\$9,272,788.09	5.1%	38,323	21.6%	\$241.96	\$44.32	
ACE INHIBITORS	328,998	4.6%	\$2,918,924.65	1.6%	47,619	26.9%	\$61.30	\$13.95	
CARDIAC GLYCOSIDES	79,695	1.1%	\$39,856.06	0.0%	12,361	7.0%	\$3.22	\$0.19	
ANTIARRHYTHMIC AGENTS	20,311	0.3%	\$421,690.77	0.2%	3,503	2.0%	\$120.38	\$2.02	
BETA BLOCKERS	500,022	7.0%	\$5,172,314.85	2.9%	70,724	39.9%	\$73.13	\$24.72	
CALCIUM CHANNEL BLOCKERS	394,422	5.5%	\$7,766,523.55	4.3%	53,775	30.3%	\$144.43	\$37.12	
LIPID-LOWERING AGENTS	653,219	9.2%	\$21,248,212.32	11.8%	82,613	46.6%	\$257.20	\$101.57	
HYPOTENSIVE AGENTS	64,082	0.9%	\$674,805.74	0.4%	9,703	5.5%	\$69.55	\$3.23	
VASODILATING AGENTS	127,003	1.8%	\$1,279,073.43	0.7%	21,156	11.9%	\$60.46	\$6.11	
ANALGESICS/ANTIPIRETTICS	324,333	4.6%	\$6,370,126.19	3.5%	63,219	35.7%	\$100.76	\$30.45	
NSAIDS	113,832	1.6%	\$3,252,998.42	1.8%	27,256	15.4%	\$119.35	\$15.55	
COX-2 INHIBITORS	49,293	0.7%	\$2,589,625.20	1.4%	9,232	5.2%	\$280.51	\$12.38	
OPIATE AGONISTS	178,974	2.5%	\$2,705,843.31	1.5%	42,768	24.1%	\$63.27	\$12.93	
PSYCHOTHERAPEUTIC AGENTS	323,040	4.5%	\$10,266,081.05	5.7%	42,072	23.7%	\$244.01	\$49.07	
ANTIDEPRESSANTS	273,697	3.9%	\$6,268,041.12	3.5%	39,166	22.1%	\$160.04	\$29.96	
SSRI ANTIDEPRESSANTS	119,819	1.7%	\$1,450,379.26	0.8%	19,646	11.1%	\$73.83	\$6.93	
ANTIPSYCHOTICS	49,343	0.7%	\$3,998,039.93	2.2%	7,281	4.1%	\$549.11	\$19.11	
ANXIOLYTICS/SEDATIVES/HYPNOTICS	248,289	3.5%	\$4,158,930.74	2.3%	41,903	23.6%	\$99.25	\$19.88	
BENZODIAZEPINES	182,947	2.6%	\$2,030,757.85	1.1%	32,663	18.4%	\$62.17	\$9.71	
MISCELLANEOUS ANX/SED/HYPNOTICS	61,318	0.9%	\$2,119,624.52	1.2%	13,022	7.3%	\$162.77	\$10.13	

**TABLE 7.1A  
NUMBER AND PERCENT OF PACE CLAIMS, STATE SHARE EXPENDITURES, AND CARDHOLDERS WITH CLAIMS  
BY THERAPEUTIC CLASS  
JANUARY - DECEMBER 2007**

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)	COST (ALL ENROLLED) <sup>2</sup>
REPLACEMENT PREPARATIONS	153,488	2.2%	\$596,205.12	0.3%	27,055	15.3%	\$22.04	\$2.85
DIURETICS	391,521	5.5%	\$516,374.52	0.3%	62,548	35.3%	\$8.26	\$2.47
LOOP DIURETICS	211,824	3.0%	\$218,893.49	0.1%	38,585	21.8%	\$5.67	\$1.05
POTASSIUM-SPARING DIURETICS	70,944	1.0%	\$148,519.90	0.1%	11,775	6.6%	\$12.61	\$0.71
THIAZIDE DIURETICS	106,868	1.5%	\$118,233.27	0.1%	19,623	11.1%	\$6.03	\$0.57
ANTITUSSIVES, EXPECTORANTS AND MUCOLYTICS	24,627	0.3%	\$320,567.35	0.2%	13,892	7.8%	\$23.08	\$1.53
EYE, EAR, NOSE AND THROAT PREPARATIONS	213,786	3.0%	\$6,139,926.71	3.4%	42,388	23.9%	\$144.85	\$29.35
GASTROINTESTINAL AGENTS	456,337	6.4%	\$22,106,765.93	12.3%	69,094	39.0%	\$319.95	\$105.67
H2-RECEPTOR ANTAGONISTS	41,083	0.6%	\$198,054.75	0.1%	8,156	4.6%	\$24.28	\$0.95
PROTON PUMP INHIBITORS	345,938	4.9%	\$20,294,512.42	11.3%	52,094	29.4%	\$389.57	\$97.01
OTHER MISCELL. ANTI-JULCER AGENTS	15,523	0.2%	\$734,224.78	0.4%	4,329	2.4%	\$169.61	\$3.51
HORMONES AND SYNTHETIC SUBSTANCES	806,532	11.3%	\$17,699,933.77	9.8%	85,272	48.1%	\$207.57	\$84.61
ADRENALS AND COMB.	113,452	1.6%	\$4,974,279.84	2.8%	28,574	16.1%	\$174.08	\$23.78
ESTROGENS AND COMB.	19,860	0.3%	\$411,220.54	0.2%	4,422	2.5%	\$92.99	\$1.97
ANTIDIABETIC AGENTS	420,563	5.9%	\$11,550,492.41	6.4%	39,955	22.5%	\$289.09	\$55.21
THYROID AND ANTITHYROID AGENTS	251,178	3.5%	\$511,755.61	0.3%	33,673	19.0%	\$15.20	\$2.45
SMOOTH MUSCLE RELAXANTS	90,318	1.3%	\$3,593,206.73	2.0%	14,761	8.3%	\$243.43	\$17.18
THEOPHYLLINE AND RELATED DRUGS	10,843	0.2%	\$82,147.41	0.0%	1,663	0.9%	\$49.40	\$0.39
DRUGS FOR OSTEOPOROSIS	231,243	3.3%	\$9,144,535.13	5.1%	31,486	17.8%	\$290.43	\$43.71
ALL OTHER DRUGS	585,835	8.2%	\$18,777,102.69	10.4%	86,817	49.0%	\$216.28	\$89.76
ALL CLASSES COMBINED	7,107,338	100.0%	\$180,186,899.79	100.0%	177,296	100.0%	\$1,016.31	\$861.31

<sup>1</sup> The average annual number of unique therapeutic classes used by cardholders with one or more claims in 2007 was 5.6.

<sup>2</sup> The annual cost per enrollee is based on total cardholders enrolled in PACE for any portion of calendar year 2007 (N=209,201).

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 2007**

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>
ANTI-INFECTIVE AGENTS	148,373	2.8%	\$2,955,651.78	2.0%	59,300	42.4%	\$49.84	\$17.03
QUINOLONES	35,238	0.7%	\$838,342.76	0.6%	23,144	16.6%	\$36.22	\$4.83
CEPHALOSPORINS	17,229	0.3%	\$133,899.30	0.1%	12,272	8.8%	\$10.91	\$0.77
ANTINEOPLASTIC AGENTS	33,479	0.6%	\$5,022,322.39	3.5%	5,764	4.1%	\$871.33	\$28.94
AUTONOMIC DRUGS	174,832	3.3%	\$8,535,090.48	5.9%	32,728	23.4%	\$260.79	\$49.18
ANTICHOLINERGICS	46,857	0.9%	\$2,170,191.60	1.5%	10,484	7.5%	\$207.00	\$12.50
ADRENERGIC AGENTS	56,199	1.1%	\$1,538,970.70	1.1%	15,150	10.8%	\$101.58	\$8.87
BLOOD FORMATION & COAGULATION AGENTS	257,153	4.8%	\$11,563,010.46	8.0%	36,301	26.0%	\$318.53	\$66.62
CARDIOVASCULAR DRUGS	1,871,499	35.2%	\$36,808,799.66	25.5%	114,773	82.1%	\$320.71	\$212.09
CARDIAC DRUGS	1,203,870	22.6%	\$18,600,093.89	12.9%	102,039	73.0%	\$182.28	\$107.17
ANGIOTENSION RECEPTOR BLOCKERS	215,794	4.1%	\$6,478,833.01	4.5%	29,105	20.8%	\$222.60	\$37.33
ACE INHIBITORS	244,749	4.6%	\$1,844,788.64	1.3%	37,659	26.9%	\$48.99	\$10.63
CARDIAC GLYCOSIDES	53,790	1.0%	\$6,768.54	0.0%	9,008	6.4%	\$0.75	\$0.04
ANTIARRHYTHMIC AGENTS	19,220	0.4%	\$425,441.97	0.3%	3,386	2.4%	\$125.65	\$2.45
BETA BLOCKERS	372,062	7.0%	\$3,854,619.82	2.7%	55,958	40.0%	\$68.88	\$22.21
CALCIUM CHANNEL BLOCKERS	280,594	5.3%	\$5,196,201.71	3.6%	39,752	28.4%	\$130.72	\$29.94
LIPID-LOWERING AGENTS	528,156	9.9%	\$16,975,472.00	11.7%	68,592	49.1%	\$247.48	\$97.81
HYPOTENSIVE AGENTS	53,278	1.0%	\$499,064.67	0.3%	8,334	6.0%	\$59.88	\$2.88
VASODILATING AGENTS	86,195	1.6%	\$734,169.10	0.5%	15,772	11.3%	\$46.55	\$4.23
ANALGESICS/ANTIPIRETTICS	228,726	4.3%	\$4,837,888.79	3.3%	47,225	33.8%	\$102.44	\$27.88
NSAIDS	75,194	1.4%	\$2,199,695.31	1.5%	19,274	13.8%	\$114.13	\$12.67
COX-2 INHIBITORS	32,071	0.6%	\$1,769,937.24	1.2%	6,423	4.6%	\$275.56	\$10.20
OPIATE AGONISTS	130,533	2.5%	\$2,329,060.52	1.6%	32,529	23.3%	\$71.60	\$13.42
PSYCHOTHERAPEUTIC AGENTS	247,454	4.7%	\$7,892,905.61	5.5%	33,093	23.7%	\$238.51	\$45.48
ANTIDEPRESSANTS	212,360	4.0%	\$4,897,580.63	3.4%	31,126	22.3%	\$157.35	\$28.22
SSRI ANTIDEPRESSANTS	90,762	1.7%	\$973,308.12	0.7%	15,489	11.1%	\$62.84	\$5.61
ANTIPSYCHOTICS	35,094	0.7%	\$2,995,324.98	2.1%	5,271	3.8%	\$568.27	\$17.26
ANXIOLYTICS/SEDATIVES/HYPNOTICS	169,012	3.2%	\$2,570,640.92	1.8%	30,889	22.1%	\$83.22	\$14.81
BENZODIAZEPINES	124,230	2.3%	\$1,151,995.47	0.8%	24,240	17.3%	\$47.52	\$6.64
MISCELLANEOUS ANX/SED/HYPNOTICS	42,129	0.8%	\$1,410,121.19	1.0%	9,462	6.8%	\$149.03	\$8.12

**TABLE 7.1B  
NUMBER AND PERCENT OF PACENET CLAIMS, STATE SHARE EXPENDITURES, AND CARDHOLDERS WITH CLAIMS  
BY THERAPEUTIC CLASS  
JANUARY - DECEMBER 2007**

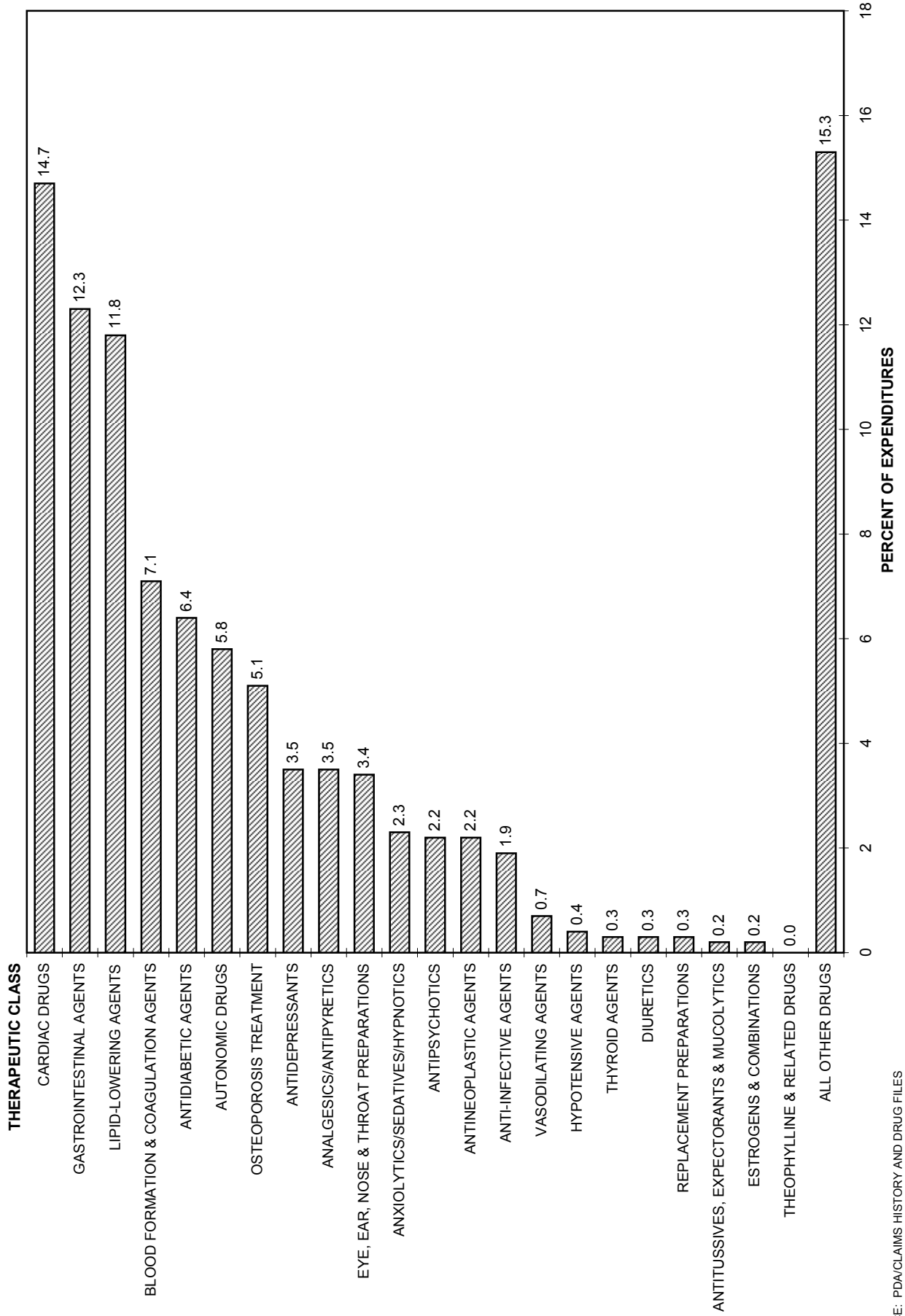
THERAPEUTIC CLASS <sup>1</sup>	TOTAL	% OF	STATE SHARE	% OF	CARD-	% OF	ANNUAL COST	
	CLAIMS	TOTAL	EXPENDITURE	TOTAL	HOLDERS WITH ANY CLAIMS	PARTICIPATING CARDHOLDERS	(PERSONS WITH CLAIMS IN CLASS)	ANNUAL COST (ALL ENROLLED) <sup>2</sup>
REPLACEMENT PREPARATIONS	104,657	2.0%	\$345,077.01	0.2%	19,465	13.9%	\$17.73	\$1.99
DIURETICS	271,082	5.1%	\$292,514.38	0.2%	46,003	32.9%	\$6.36	\$1.69
LOOP DIURETICS	143,743	2.7%	\$138,844.57	0.1%	27,908	20.0%	\$4.98	\$0.80
POTASSIUM-SPARING DIURETICS	49,944	0.9%	\$68,827.20	0.0%	8,896	6.4%	\$7.74	\$0.40
THIAZIDE DIURETICS	75,906	1.4%	\$71,104.27	0.0%	14,769	10.6%	\$4.81	\$0.41
ANTITUSSIVES, EXPECTORANTS AND MUCOLYTICS	17,214	0.3%	\$183,471.81	0.1%	10,156	7.3%	\$18.07	\$1.06
EYE, EAR, NOSE AND THROAT PREPARATIONS	154,036	2.9%	\$4,313,390.21	0.0%	32,838	0.0%	\$131.35	\$24.85
GASTROINTESTINAL AGENTS	308,099	5.8%	\$16,437,500.99	11.4%	50,172	35.9%	\$327.62	\$94.71
H2-RECEPTOR ANTAGONISTS	24,791	0.5%	\$89,568.44	0.1%	5,434	3.9%	\$16.48	\$0.52
PROTON PUMP INHIBITORS	231,216	4.3%	\$14,882,602.13	10.3%	36,926	26.4%	\$403.04	\$85.75
OTHER MISCELL. ANTI-ULCER AGENTS	13,611	0.3%	\$759,485.00	0.5%	3,751	2.7%	\$202.48	\$4.38
HORMONES AND SYNTHETIC SUBSTANCES	623,212	11.7%	\$16,547,921.50	11.4%	68,102	48.7%	\$242.99	\$95.35
ADRENALS AND COMB.	92,100	1.7%	\$4,605,680.60	3.2%	23,295	16.7%	\$197.71	\$26.54
ESTROGENS AND COMB.	16,245	0.3%	\$290,561.50	0.2%	3,691	2.6%	\$78.72	\$1.67
ANTIDIABETIC AGENTS	348,646	6.6%	\$11,302,882.80	7.8%	33,504	24.0%	\$337.36	\$65.13
THYROID AND ANTITHYROID AGENTS	164,714	3.1%	\$158,416.74	0.1%	24,443	17.5%	\$6.48	\$0.91
SMOOTH MUSCLE RELAXANTS	64,809	1.2%	\$2,599,364.08	1.8%	10,946	7.8%	\$237.47	\$14.98
THEOPHYLLINE AND RELATED DRUGS	8,426	0.2%	\$60,719.56	0.0%	1,340	1.0%	\$45.31	\$0.35
DRUGS FOR OSTEOPOROSIS	159,009	3.0%	\$6,410,098.05	4.4%	22,722	16.3%	\$282.11	\$36.93
ALL OTHER DRUGS	485,871	9.1%	\$17,285,793.52	12.0%	70,050	50.1%	\$246.76	\$99.60
ALL CLASSES COMBINED	5,318,517	100.0%	\$144,601,441.64	100.0%	139,819	100.0%	\$1,034.20	\$833.17

<sup>1</sup> The average annual number of unique therapeutic classes used by cardholders with one or more claims in 2007 was 5.5.

<sup>2</sup> The annual cost per enrollee is based on total cardholders enrolled in PACENET for any portion of calendar year 2007 (N=173,555).

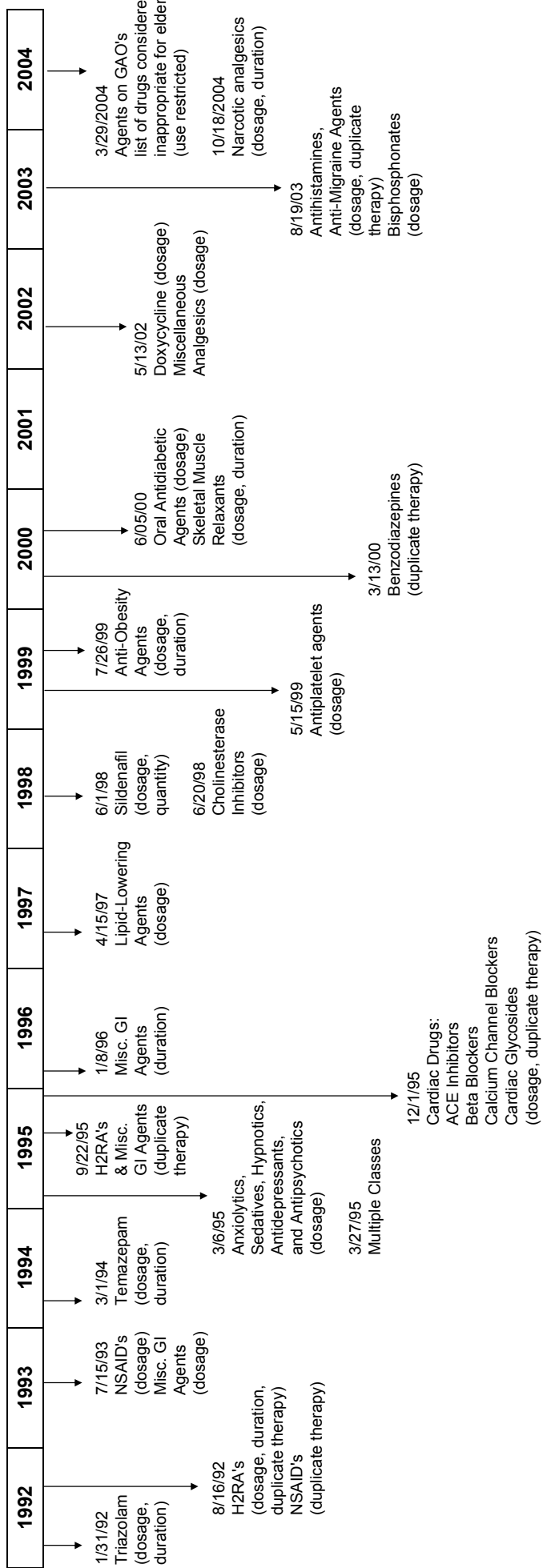
SOURCE: PDA/CLAIMS HISTORY AND DRUG FILES  
NOTE: DATA INCLUDE ORIGINAL, PAID PACENET CLAIMS BY DATE OF SERVICE. TOTAL CLAIMS INCLUDE DEDUCTIBLE CLAIMS AND COPAID CLAIMS.

**FIGURE 7.1**  
**PERCENT OF PACE STATE SHARE EXPENDITURES BY THERAPEUTIC CLASS**  
**JANUARY - DECEMBER 2007**  
**(TOTAL EXPENDITURES = \$180,186,900)**

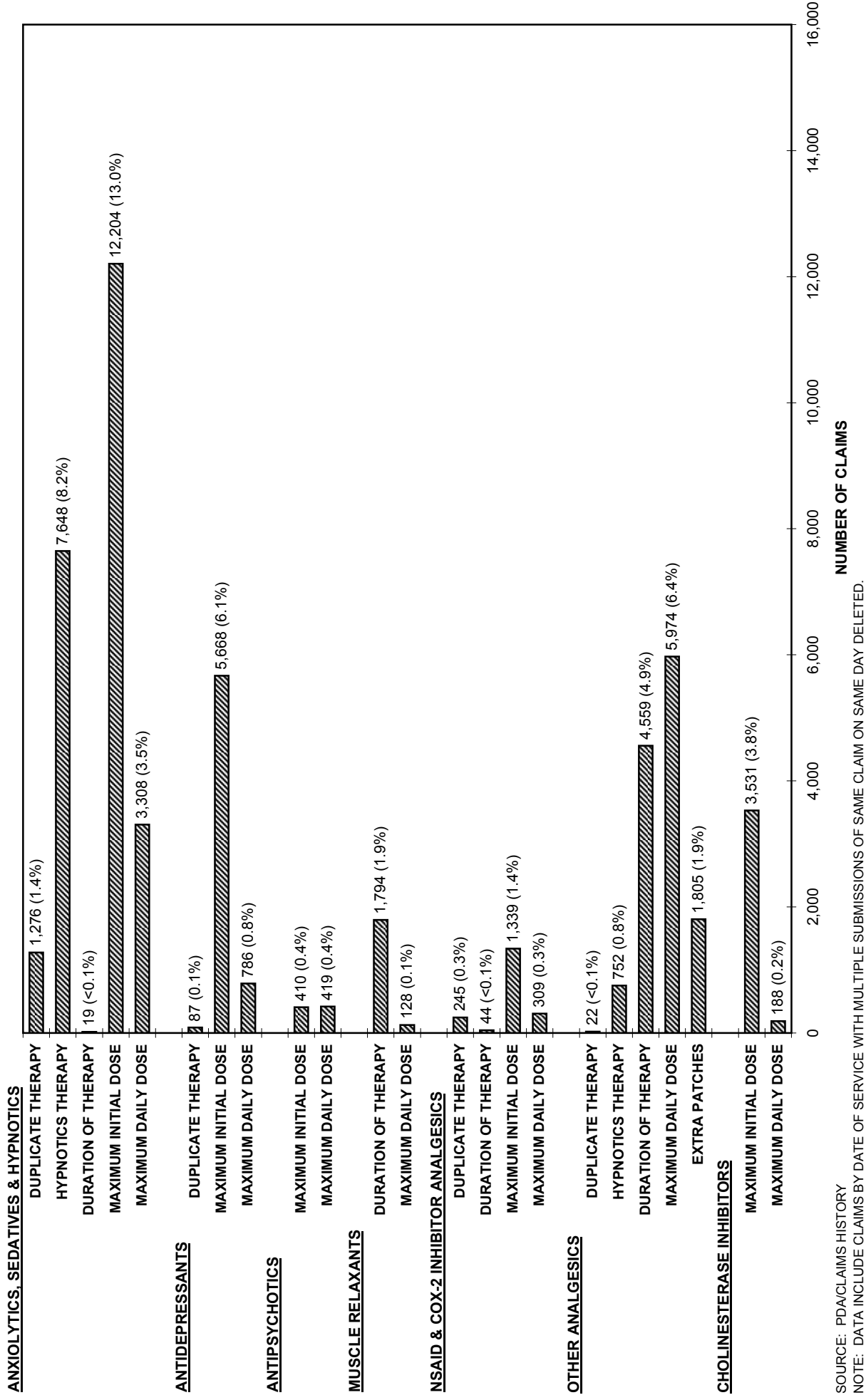


SOURCE: PDA/CLAIMS HISTORY AND DRUG FILES  
 NOTE: DATA INCLUDE ORIGINAL, PAID CLAIMS BY DATE OF SERVICE. EXCLUDE PACENET CLAIMS.

**FIGURE 7.2  
TIMELINE OF PRODUR IMPLEMENTATION**

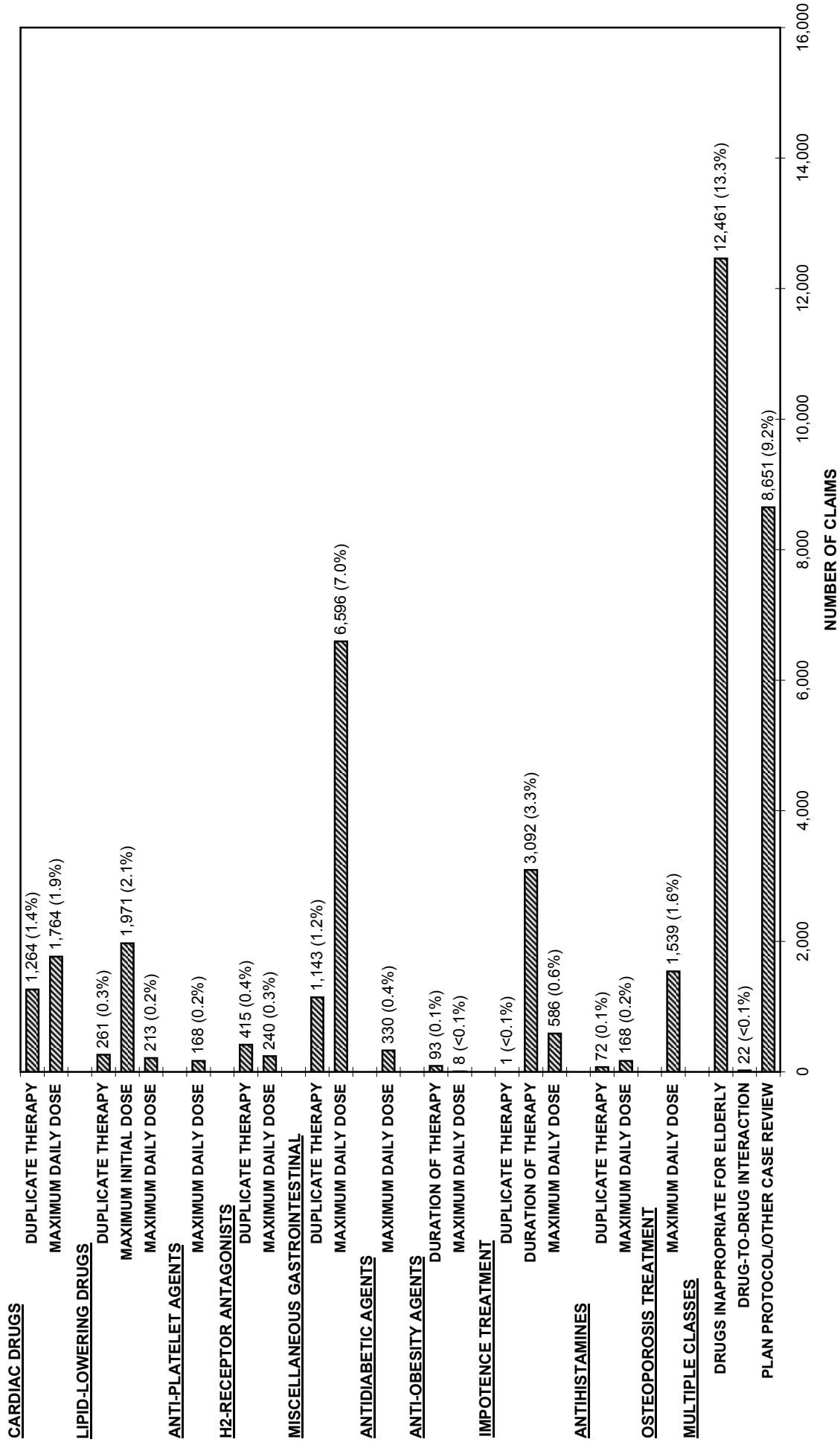


**FIGURE 7.3**  
**NUMBER AND PERCENT OF PACE AND PACENET CLAIMS WITH A PROSPECTIVE**  
**REVIEW MESSAGE BY THERAPEUTIC CLASS**  
**JANUARY - DECEMBER 2007**  
**N = 93,573**



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 2007**  
**N = 93,573**



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 2007**

<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	0	0	0
FEBRUARY	0	0	0
MARCH	0	0	0
APRIL	0	0	0
MAY	0	0	0
JUNE	0	0	0
JULY	0	0	0
AUGUST	1	1	0
SEPTEMBER	2	0	0
OCTOBER	1	0	0
NOVEMBER	1	0	0
DECEMBER	1	1	0
TOTAL	6	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 that facilitated contact between the Area Agency on Aging offices and the patient assistance programs offered by pharmaceutical manufacturers. The 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 to 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 needed to determine the likelihood of eligibility for persons seeking assistance from manufacturers and gathers the patient information to complete the pharmacy assistance applications.

In 2006, the Clearinghouse decided to now assist all Pennsylvania residents without regard to age who meet the selected guidelines. Pharmaceutical manufacturers set the income and eligibility guidelines as individual companies and limit the products and the length of time for assistance. Typically, the income must be below \$20,000 for a single person, \$25,000 for married couples and less than \$30,000 for persons with more than two dependants. These income levels are a compilation of many levels used by the manufacturers and only serve as guideposts. 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. The medications currently being offered are in the antidepressant and antipsychotic therapeutic classes. Eligible patients receive a 30 day supply of medications and are charged a \$6.00 copay for generic and \$9.00 copay for brand name medications. At the end of 2007, the Clearinghouse successfully enrolled 246 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 7,648 patients after six years of operation. At the end of 2007, 42% (3,226 persons) were receiving medication assistance through the PA PAP Clearinghouse, compared to 35% at the beginning of the year. The Program successfully referred persons to the PACE Program (667), PACENET Program (1,336), VA benefits (67), or other insurance (7). Among the remaining inactive patients, 369 were over the income limits set by the manufacturer and were not eligible for PACE or PACENET benefits. Among the 3,226 persons receiving assistance through the PA PAP Clearinghouse, a total of 27,963 medications were obtained.

Current initiatives include continuing to process applications for cardholders enrolled in the adultBasic Program of the Pennsylvania Department of Insurance and initiate new Programs that are the result of Attorney General lawsuit settlements.



## 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 2007 and Red Book Database Services

**APPENDIX C**

**PACE**

**PROSPECTIVE DRUG**

**UTILIZATION REVIEW**

**CRITERIA**

**Updated 4/1/08**

## 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	10/15/95	Concurrent with other ACE Inhibitors	10/22/96
Fosinopril (Monopril)	No Criteria	---	Less than or equal to 80 mg/day	10/15/95	Concurrent with other ACE Inhibitors	10/22/96
Lisinopril (Prinivil)	No Criteria	---	Less than or equal to 40 mg/day	10/15/95	Concurrent with other ACE Inhibitors	10/22/96
Quinapril (Accupril)	No Criteria	---	Less than or equal to 80 mg/day	10/15/95	Concurrent with other ACE Inhibitors	10/22/96
Ramipril (Altace)	No Criteria	---	Less than or equal to 20 mg/day	10/15/95	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	03/04/02	Concurrent with other ACE Inhibitors	03/04/02

## 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	09/28/01	No Criteria	---
Telmisartan (Micardis)	No Criteria	---	Less than or equal to 80 mg/day	09/28/01	No Criteria	---
Olmесartan (Benicar)	No Criteria	---	Less than or equal to 40 mg/day	08/16/03	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	10/15/95
Atenolol (Tenormin)	No Criteria	---	Less than or equal to 200 mg/day	10/15/95	Concurrent with other Beta Blockers	10/15/95
Betaxolol (Kerlone)	No Criteria	---	Less than or equal to 20 mg/day	10/15/95	Concurrent with other Beta Blockers	10/15/95
Carteolol (Cartrol)	No Criteria	---	Less than or equal to 10 mg/day	10/15/95	Concurrent with other Beta Blockers	10/15/95
Labetalol (Normodyne)	No Criteria	---	Less than or equal to 2400 mg/day	10/15/95	Concurrent with other Beta Blockers	10/15/95
Metoprolol (Lopressor)	No Criteria	---	Less than or equal to 450 mg/day	10/15/95	Concurrent with other Beta Blockers	10/15/95
Metoprolol (Toprol XL)	No Criteria	---	Less than or equal to 400 mg/day	10/15/95	Concurrent with other Beta Blockers	10/15/95
Nadolol (Corgard)	No Criteria	---	Less than or equal to 320 mg/day	10/15/95	Concurrent with other Beta Blockers	10/15/95
Penbutolol (Levitol)	No Criteria	---	Less than or equal to 80 mg/day	10/15/95	Concurrent with other Beta Blockers	10/15/95
Pindolol (Visken)	No Criteria	---	Less than or equal to 60 mg/day	10/15/95	Concurrent with other Beta Blockers	10/15/95
Propranolol (Inderal)	No Criteria	---	Less than or equal to 640 mg/day	10/15/95	Concurrent with other Beta Blockers	10/15/95
Propranolol LA (Inderal LA)	No Criteria	---	Less than or equal to 640 mg/day	10/15/95	Concurrent with other Beta Blockers	10/15/95
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	10/15/95	Concurrent with other Beta Blockers	10/15/95
Timolol (Blocadren)	No Criteria	---	Less than or equal to 60 mg/day	10/15/95	Concurrent with other Beta Blockers	10/15/95
Bisoprolol (Zebeta)	No Criteria	---	Less than or equal to 20 mg/day	10/15/95	Concurrent with other Beta Blockers	10/15/95
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	10/15/95	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	10/15/95	Concurrent with Other Calcium Channel Blockers	10/15/95
Bepridil (Vascor)	No Criteria	---	Less than or equal to 400 mg/day	10/15/95	Concurrent with Other Calcium Channel Blockers	10/15/95
Diltiazem (Cardizem)	No Criteria	---	Less than or equal to 360 mg/day	10/15/95	Concurrent with Other Calcium Channel Blockers	10/15/95
Diltiazem SR (Cardizem SR)	No Criteria	---	Less than or equal to 360 mg/day	01/29/98	Concurrent with Other Calcium Channel Blockers	10/15/95
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
Diltiazem (Dilacor XR)	No Criteria	---	Less than or equal to 540 mg/day	01/29/98	Concurrent with Other Calcium Channel Blockers	10/15/95
Felodipine (Plendil)	No Criteria	---	Less than or equal to 20 mg/day	10/15/95	Concurrent with Other Calcium Channel Blockers	10/15/95
Isradipine (DynaCirc)	No Criteria	---	Less than or equal to 20 mg/day	10/15/95	Concurrent with Other Calcium Channel Blockers	10/15/95
Nicardipine (Cardene)	No Criteria	---	Less than or equal to 120 mg/day	10/15/95	Concurrent with Other Calcium Channel Blockers	10/15/95
Nicardipine SR (Cardene SR)	No Criteria	---	Less than or equal to 120 mg/day	10/15/95	Concurrent with Other Calcium Channel Blockers	10/15/95
Nifedipine (Procardia)	No Criteria	---	Less than or equal to 120 mg/day	10/15/95	Concurrent with Other Calcium Channel Blockers	10/15/95
Nifedipine XL (Procardia XL)	No Criteria	---	Less than or equal to 120 mg/day	10/15/95	Concurrent with Other Calcium Channel Blockers	10/15/95
Verapamil (Calan, Isoptin)	No Criteria	---	Less than or equal to 480 mg/day	10/15/95	Concurrent with Other Calcium Channel Blockers	10/15/95
Verapamil SR (Calan SR, Isoptin)	No Criteria	---	Less than or equal to 480 mg/day	10/15/95	Concurrent with Other Calcium Channel Blockers	10/15/95
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	No Criteria	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	06/05/00	No Criteria	---	No Criteria	---
Ticlopidine (Ticlid)	No Criteria	---	Less than or equal to 500 mg/day	05/15/99	No Criteria	---	No Criteria	---
Clopidogrel bisulfate (Plavix)	No Criteria	---	Less than or equal to 75 mg/day	09/28/01	No Criteria	---	No Criteria	---
Aspirin/ dipyridamole (Aggrenox)	No Criteria	---	Less than or equal to 50 mg/400 mg/day	09/28/01	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	06/05/00	No Criteria	---	No Criteria	---
Metformin (Glucophage)	No Criteria	---	Less than or equal to 2550 mg/day	06/05/00	No Criteria	---	No Criteria	---
Acarbose (Precose)	No Criteria	---	Less than or equal to 300 mg/day	06/05/00	No Criteria	---	No Criteria	---
Repaglinide (Prandin)	No Criteria	---	Less than or equal to 16 mg/day	06/05/00	No Criteria	---	No Criteria	---
Migliitol (Glyset)	No Criteria	---	Less than or equal to 300 mg/day	06/05/00	No Criteria	---	No Criteria	---
Pioglitazone (Actos)	No Criteria	---	Less than or equal to 45 mg/day	09/28/01	No Criteria	---	No Criteria	---
Nateglinide (Starlix)	No Criteria	---	Less than or equal to 360 mg/day	09/28/01	No Criteria	---	No Criteria	---
Glyburide/ metformin (Glucovance)	No Criteria	---	Less than or equal to 20 mg/2000 mg/day	09/28/01	No Criteria	---	No Criteria	---

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

Drug Name (Brand)	Generic	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	07/05/93	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	07/05/93	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

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

Drug Name (Brand)	Generic	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	06/05/00	No Criteria	---	Concurrent NSAIDS	06/05/00
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 (Brand)	Generic	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	01/19/98	No Criteria	---	No Criteria	---

### Combination Analgesics - Criteria Elements and Implementation Dates

Drug Name (Brand)	Generic	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 (Brand)	Generic	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 (Brand)	Generic	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	02/21/07
Dutasteride (Avodart)		No Criteria	---	No Criteria	---	Male Only	02/21/07
Finasteride (Proscar)		No Criteria	---	No Criteria	---	Male Only	02/21/07
Alfuzosin (Uroxatral)		No Criteria	---	No Criteria	---	Male Only	02/21/07

**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.	11/23/04	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.	10/18/04	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	3/29/2004	No Criteria	No Criteria	No Criteria	No Criteria	180 days out of 210	10/18/04	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	08/16/92	Proton Pump Inhibitors and Concurrent H <sub>2</sub> .	08/16/92
Famotidine (Pepcid) Maintenance Therapy	Less than or equal to 40 mg/day	08/16/92	Unlimited	08/16/92	Proton Pump Inhibitors and Concurrent H <sub>2</sub> .	08/16/92
Nizatidine (Axid) Maintenance Therapy	Less than or equal to 300 mg/day	08/16/92	Unlimited	08/16/92	Proton Pump Inhibitors and Concurrent H <sub>2</sub> .	08/16/92
Ranitidine (Zantac) Maintenance Therapy	Less than or equal to 300 mg/day	08/16/92	Unlimited	08/16/92	Proton Pump Inhibitors and Concurrent H <sub>2</sub> .	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/ H <sub>2</sub> 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/ H <sub>2</sub> Receptor Antagonists	08/28/95
Pantoprazole (Protonix)	Less than or equal to 40 mg/day	10/08/01	No Criteria	---	Proton Pump Inhibitors/ H <sub>2</sub> Receptor Antagonists	10/08/01
Esomeprazole (Nexium)	Less than or equal to 40 mg/day	10/08/01	No Criteria	---	Proton Pump Inhibitors/ H <sub>2</sub> Receptor Antagonists	10/08/01
Rabeprazole (Aciphex)	Less than or equal to 20 mg/day	10/08/01	No Criteria	---	Proton Pump Inhibitors/ H <sub>2</sub> 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
Tegaserod maleate (Zelnorm)	Less than or equal to 12 mg/day	03/29/04	No Criteria	03/29/04	No Criteria	---
Alosetron (Lotronex)	No Criteria	No Criteria	No Criteria	No Criteria	Female only	06/22/00

## 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	01/16/95	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	04/20/98	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	---	15 mg/day	08/16/03	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.					

**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	---	No Criteria	---
Zaleplon (Sonata)	No Criteria	---	Less than or equal to 10 mg/day	02/19/07	No Criteria	---	No Criteria	---
Zolpidem (Ambien CR)	No Criteria	---	Less than or equal to 6.25 mg/day	11/01/05	No Criteria	---	No Criteria	---
Ramelteon (Rozerem)	No Criteria	---	Less than or equal to 8 mg/day	02/08/07	No Criteria	---	No Criteria	---
Eszopiclone (Lunesta)	No Criteria	---	Less than or equal to 2 mg/day	02/08/07	No Criteria	---	No Criteria	---

**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 Benzodiazepines and Misc Sed/Hypnotics	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 Benzodiazepines and Misc Sed/Hypnotics	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 Benzodiazepines and Misc Sed/Hypnotics	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 Benzodiazepines and Misc Sed/Hypnotics	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 Benzodiazepines and Misc Sed/Hypnotics	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 Benzodiazepines and Misc Sed/Hypnotics	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 Benzodiazepines and Misc Sed/Hypnotics	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 Benzodiazepines and Misc Sed/Hypnotics	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	01/19/98	14 days out of every 180	04/20/98	No Criteria	---
Chloral Hydrate	No Criteria	---	Less than or equal to 1 gm/day	01/19/98	14 days out of every 180	04/20/98	No Criteria	---
Ethchlorvynol (Placidyl)	No Criteria	---	Less than or equal to 500 mg/day	01/19/98	14 days out of every 180	04/20/98	No Criteria	---
Secobarbital (Seconal)	No Criteria	---	Less than or equal to 100 mg/day	01/19/98	14 days out of every 180	04/20/98	No Criteria	---
Amobarbital/Secobarbital (Tuinal)	No Criteria	---	Less than or equal to 50 mg/day	01/19/98	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
Tizartidine (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	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	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	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	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	---

### Impotence Pill - Criteria Elements and Implementation Dates

Drug Name Generic (Brand)	Maximum Initial Dose		Maximum Daily Dose		Gender Edit		Maximum Duration	
	MG Per Day	Date Begun	MG Per Day	Date Begun	Male/ Female	Date Begun	Period	Date Begun
Sildenafil Citrate (Viagra)	No Criteria	---	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)	No Criteria	---	No Criteria	---	Male	10/18/04	8 days out of every 30	10/31/03
Tadalafil (Cialis)	No Criteria	---	Less than or equal to 20 mg/day	03/15/04	Male	10/18/04	8 days out of every 30	05/05/04

### 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

### 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

**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>
<b>Propulsid</b>		co-admin	co-admin	co-admin	co-admin												co-admin	
<b>Monistat IV</b>	co-admin																	
<b>Sporanox</b>	co-admin						co-admin											
<b>Nizoral</b>	co-admin						co-admin											
<b>TAO</b>	co-admin						co-admin											
<b>Macrolides other than TAO</b>							co-admin											
<b>Non-Sedating Antihistamines</b>			co-admin	co-admin	co-admin			co-admin		co-admin								
<b>Serzone</b>							co-admin				co-admin, 14 days							
<b>Effexor</b>											co-admin, 14 days							
<b>Luvox</b>							co-admin				co-admin, 14 days							
<b>MAO Inhibitors</b>								co-admin, 7 days	co-admin, 7 days	co-admin, 14 days								co-admin, 14 days
<b>Nitroglycerin</b>													co-admin					
<b>Viagra</b>												co-admin						
<b>Antiarrhythmics Class 1A, III</b>	co-admin																	
<b>Tricyclic Antidepressants</b>	co-admin																	
<b>Antipsychotics</b>	co-admin																	
<b>Vascor, Hismanal, Zagam</b>	co-admin																	
<b>Cymbalta</b>											co-admin, 14 days							