

Subject: Pharmaceutical Prices Increase in January

In 2018, growing public and political pressure, voiced by [US Dept. of Health and Human Services](#) Chair, Dr. Alex Azar, swayed several large drug companies to forego price increases originally anticipated in 2018. According to an analysis by [Rx Savings Solutions](#), in January, sixty pharmaceutical companies announced price increases for approximately 300 prescription medicines, and more manufacturers are anticipated to follow suit.¹ Rx Savings Solutions, a software firm that monitors medication prices, reported the average price increase in January was 6.3%. This was down from a nearly 9% increase a year ago, which may indicate that manufacturers are becoming more observant of future drug price increases.

The Impact

Announced medication cost increases in workers' compensation include leading sole-source brand medications such as Lyrica® (5%), Oxycontin® (9.5%) and Nucynta® (9.9%). In addition, the combined effect of *deferred* price increases in late 2018 and *renewed* increases in 2019 may skew any cost trend analysis covering this period.

First Script will continue monitoring and reporting on these and other medication price increases. For more information, please contact your Account Manager or Account Pharmacist.

¹ <https://www.cnn.com/2019/01/03/politics/drug-prices-trump/index.html>