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Background

• Generic medications are supposed to be a cheaper equivalent product to brand name medications.
• Over the past 4 years, there have been dramatic increases in the prices of generic products.
• This has caught the attention of Congress and prompted the investigations of companies who have greatly increased the prices of generic medications.

Objective

• To analyze the top 20 generic drug price spikes and trends from November 2013 to September 2016 according to the Centers for Medicare & Medicaid Services weekly data.

Method

• The National Average Drug Acquisition Costs (NADAC) data published by the Centers for Medicare & Medicaid Services were examined from 2013 to 2016.
• Files were analyzed to identify the top 20 generic products with the highest percentage NADAC increase that occurred in one week during that period.
• The number of NDCs, date of price spike, and dosage form of each medication was also recorded.

Results

• The top 20 generic drug price increases ranged from 368% (Benazepril-Hydrochlorothiazide 5-6.25 mg Tablet) to 1967% (Clobetasol 0.05% Gel) from November 2013 to September 2016.
• Of the 20 drugs, 15 (75%) are oral administration products, 3 (15%) are topical administration products, and 2 (10%) are ophthalmic administration products.
• After the price spikes that occurred in 1 week, 8 drugs had a lower NADAC trend from the hike, and 12 drugs had a higher NADAC from the hike.
• However, all 20 drugs had a higher NADAC than baseline starting price.
• Over the 3 years, 2014 had the most 1 week price spikes.
• The number of manufacturers did not appear to correlate with price changes.

Discussion

• Drugs were ranked by the price increases that happened in one week. Data does not rank overall price increases.
• Only one dosage form of each drug was used.

Limitations

• Select generic products have had significant price spikes between November 2013 to September 2016.
• Price increases ranged from 368% to 1967% and oral products had the most spikes.
• Furthermore, trends indicate that prices never fall below the original baseline price.
• Further research is needed to quantify generic prices increases and the rationale behind these changes.

Conclusions

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