

January 2021 Price Hikes Methodology

Methods: P4AD analyzed the wholesale acquisition cost (WAC) data for the 1,895 unique National Drug Codes (NDCs) with price hikes greater than 1% that were posted between January 1, 2021 and January 6, 2021. Among the 1,895 NDCs that increased in price, 636 were defined as distinct product hikes. Our methodology for defining a distinct product was consistent with the CMS Dashboard's [definition](#). We define a product as a grouping of NDCs having the same branded drug name and being sold by the same manufacturer. For example, if a drug had the *same brand name*, but multiple NDCs for variations in strength or dosage, it was considered one price hike. But if *multiple brand names* exist for drugs with the same active ingredient but vary in concentration or route of administration, then it would be counted as multiple product increases.

Any drug duplicates that exist in the list above are identical to how drugs are defined in the CMS dashboard and consistent with the independent drug compendia company, AnalySource. Pricing and NDC data was drawn from AnalySource. Variable definitions which can be found below and [here](#).

WAC: Wholesale Acquisition Cost (WAC) as published by First Databank represents the manufacturer's published catalog or list price for a drug product to wholesalers as reported to First Databank by the manufacturer. WAC does not represent actual transaction prices and does not include prompt pay or other discounts, rebates or reductions in price.

Brand Name: Generally provides the name that appears on the package label provided by the manufacturer.

Generic Name Indicator (Brand/Generic): Specifies whether a product is a brand-named product or a generically named product, using the product name as the criteria. When discussing drug products with respect to their manufacturers, generically named drug products are products without a proprietary name. Typically in the United States, these products are named consistent with the United States Adopted Names (USAN)

Labeler Name (Manufacturer): Uniquely identify the product labeler (a manufacturer, distributor, or repackager).

NDC: An 11-character alphanumeric column that contains NDCs, HRIs, UPCs, and PINs which are the external identifiers representing drugs and health-related products.

What is AnalySource? AnalySource is a drug pricing compendia owned by DMD America and used widely by industry; data for AnalySource comes from First Databank.

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