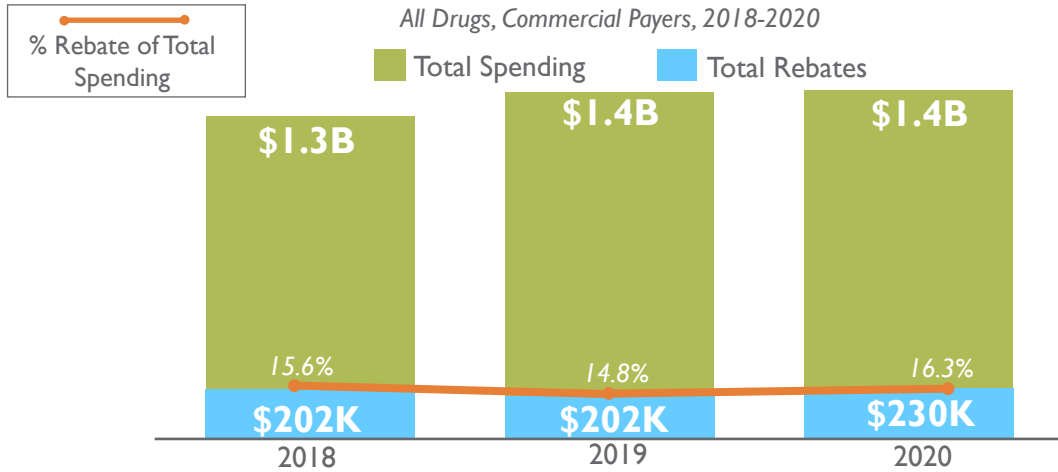


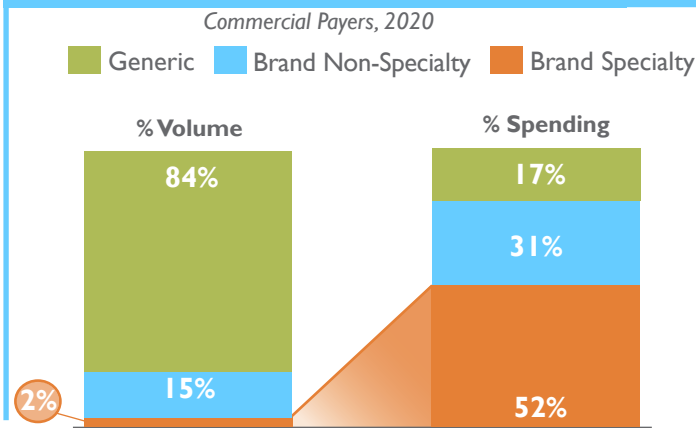
What is a Prescription Drug Rebate?

Total rebates, compensation, remuneration, and any other price concessions (including concessions from price protection and hold harmless contract clauses) provided by pharmaceutical manufacturers for prescription drugs with specified dates of fill, excluding manufacturer-provided fair market value bona fide service fees. For more information and to view our full **Prescription Drug Rebate Analysis**, visit us at www.civhc.org.

Percent Rebates Compared to Total Prescription Drug Spending Rose in 2020

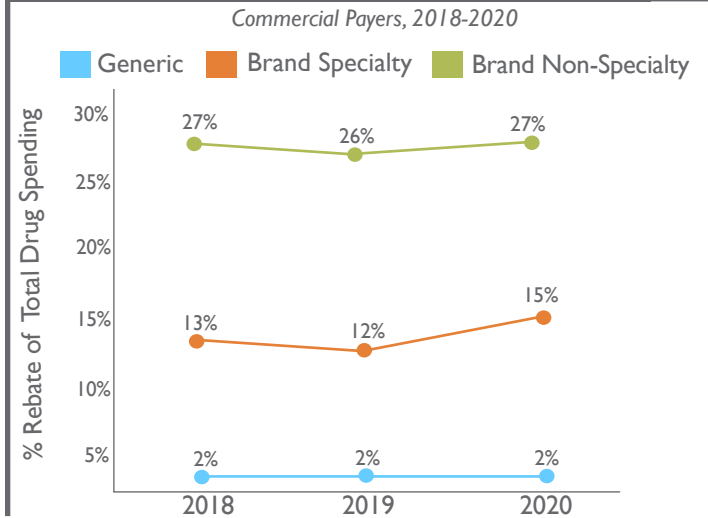


Brand specialty and non-specialty drugs account for the majority of spending among commercial payers



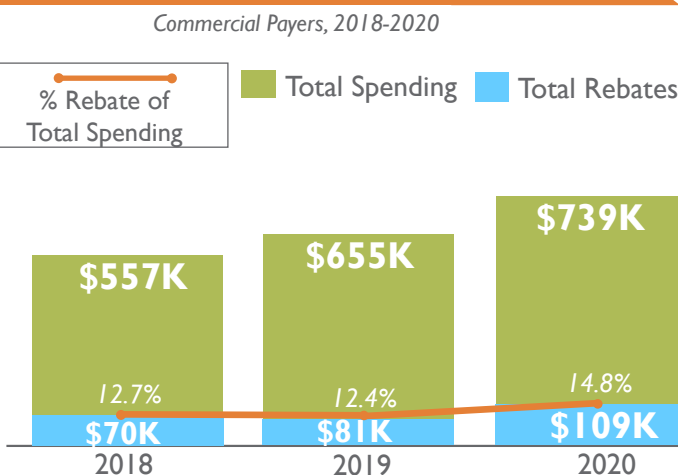
Brand specialty drugs accounted for **52%** of total prescription drug spending among commercial payers in 2022, but represented just **2%** of total volume.

Across commercial payers, percent rebate of total spending rising over time for brand specialty and non-specialty



Across all payers from 2018-2020, total prescription drug spending increased by 16% without rebates. When factoring in rebates received, total spending on pharmaceuticals still increased by 16%. This indicates drug rebates are keeping pace with total pharmaceutical spending and have no substantial impact on reducing overall spending.

Costs for brand specialty drugs continue to rise year over year



From 2018 to 2020, total spending for commercial payers for brand specialty drugs increased by **33%** and rebates for brand specialty drugs increased by **54%**. These increases signal that rebates may potentially drive higher use of brand specialty drugs.