

# Considerations

## Prescription Drug Rebates



- The definition of rebates is inclusive of all compensation from manufacturers to payers (through their pharmacy benefit manager or PBM, not solely rebates).
- Rebates take time to be processed and received by payers. As such, 2019 data submitted to CIVHC in September of 2020 may not reflect all rebates that payers will receive for 2019. All drug rebate data is self-reported.
- One large payer did not have the capability to report rebates and spending at the level of granularity required. To address this issue, CIVHC removed this payer's data from the report.
- Of the commercial payers who use a pharmacy benefit manager (PBM), payers reported to CIVHC that 99% of total rebate dollars were passed through from the PBM to the payer.
- Pharmacy spending throughout the report only includes prescriptions filled through a pharmacy and does NOT include drugs administered by a provider in a hospital or outpatient setting or premium payments made by employers or individuals.