



Predictive Acquisition Cost (PAC)

THE MOST ACCURATE TRUE ACQUISITION COST

Drug pricing and reimbursement methodologies are changing, largely due to new legislation and regulations regarding drug price transparency.

The drug price solution that most accurately tracks true acquisition cost and assists with drug price transparency, price setting, cost containment, and insightful analysis is Predictive Acquisition Cost (PAC).

PAC employs predictive analytics to estimate acquisition cost by considering various factors, including industry MAC benchmarks, published price lists, existing price benchmarks, drug dispensation, supply-demand measures, and survey-based acquisition costs.

PAC meets the criteria defined by the pharmacy industry for a successful new drug price benchmark:

TRANSPARENCY

Genuine relation to actual acquisition cost with factors that drive PAC output clearly defined and described.

ACCESSIBILITY

Designed to be distributed to all interested parties within the drug supply chain.

COMPREHENSIVENESS

Covers brand and generic drugs, including single-source generics as well as new drugs for which survey-based acquisition cost may not have been collected.

TIMELINESS

For a given drug, PAC adjusts as soon as any of the input factors adjust and, as with all drug prices, changes are reflected in Gold Standard Drug Database as they happen.

IMMUNE TO MANIPULATION

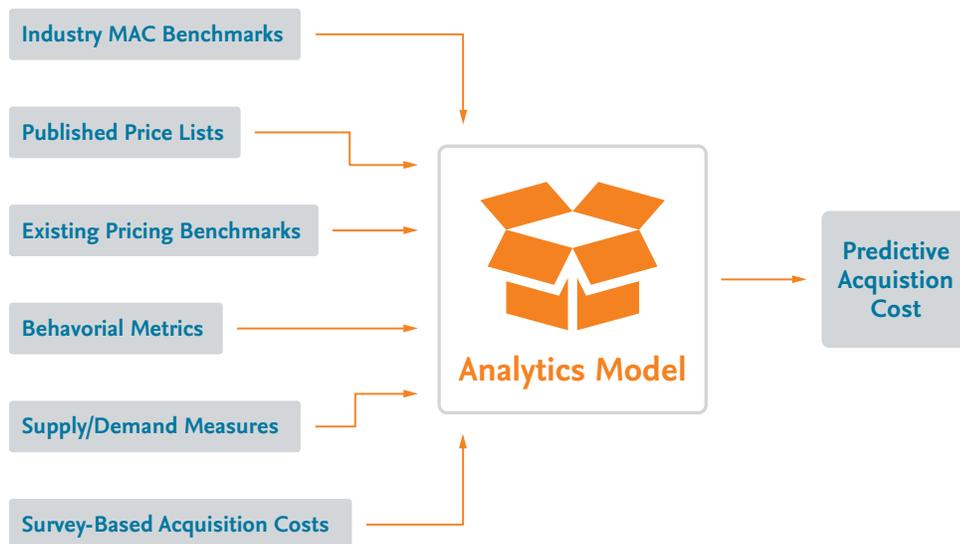
Most PAC price types are inherently not prone to manipulation and the model is retrained regularly to ensure it accurately captures changes and factors new data as soon as it is available. PAC also maintains a robust monitoring system to detect any unusual activity with its input factors.



ELSEVIER



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PAC establishes a pricing range to determine the performance of pricing contracts, to control cost and pricing challenges, and to guide reimbursement rates which leads to fair and balanced pricing, improved negotiations, and enhanced industry relationships.

Commercial health plans and PBM's are facing more requirements to explain and justify their MAC prices, while also facing cost pressures due to high drug prices. Pharmacy networks are narrowing, and retail pharmacies must work harder to ensure that their reimbursements are fair. All stakeholders across the drug supply chain, including wholesalers and manufacturers, must scrutinize drug prices more closely and frequently than ever before.

PAC is currently used throughout the drug supply/pharmacy industry including:

- PBM's
- Retail Pharmacies
- Drug Wholesalers
- Commercial Health Plans
- State Medicaid
- Manufacturers

Elsevier publishes the PAC as reported by Glass Box Analytics and is the exclusive distributor of the PAC price type.

For more information, please:

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