**Hypothetical Example for Cost Impact Methods**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Strength****(mg)** |  **Units** |  **Total mg**  **dispensed WAC** |  **Total cost** |  **Cost per mg** | **Cost per mg** **difference from Drug Example 1** |
|  |  |  |  |  |  |
| Example 1 |  |  |  |  |  |
| 20 | 6,248 |  124,960 $5.95  | $37,175.60  |  |  |
| 30 | 5,601 |  168,030 $8.93 | $50,016.93  |  |  |
| 50 | 2,675 |  133,750 $11.74 | $31,404.50  |  |  |
| 60 | 2,354 |  141,240 $14.08 | $33,144.32  |  |  |
| 80 | 598 |  47,840 $18.78 | $11,230.44  |  |  |
| 100 | 742 |  74,200 $23.48 | $17,422.16  |   |  |
| Total |  |  690,020 | $180,393.95 |  $0.261432929 |  |
|  |  |  |  |  |  |
| Example 2 |  |  |  |
| 30 | 8,103 |  243,090 $4.58 | $37,111.74  |  |  |
| 45 | 5,822 |  261,990 $6.80 | $39,589.60  |  |  |
| 60 | 9,783 |  586,980 $8.90 | $87,068.70  |  |  |
| 75 | 3,930 |  294,750 $11.33 | $44,526.90  |  |  |
| 90 | 6,012 |  541,080 $13.38 | $80,440.56  |  |  |
| 120 | 9,294 | 1,115,280 $15.79 | $146,752.26  |  |  |
| Total |  | 3,043,170 | $435,489.76 |  $0.143103987 | $0.118328943 |

Total mg dispensed = strength (mg) x units

Total cost = units x WAC

Cost per mg = total cost ÷ total mg dispensed

Cost of substitution (100%) = the sum of total mg dispensed (Example 2) x cost per mg difference from Example 1