**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