Patients' out-of-pocket experience for buying medicines will depend on their health plan's benefit design and any financial obligations required in those plans.

**List Price vs Net Price**

**List Price** (set by manufacturer)

- Payments made to pharmacy benefit managers (PBMs) and/or insurance companies to ensure placement on drug formularies
- Required to fulfill "best price" mandates for government programs (e.g., Medicaid)
- Additional discounts negotiated with hospitals/health systems

**Rebates/Discounts**

Those exposed to list price include patients:

- without insurance
- fulfilling co-insurance or deductible requirements
- within the Medicare Part D coverage gap

**Wholesaler Fees**

Payments made to wholesalers to support stocking and distributing medicines through their supply chain network (e.g., pharmacy, hospital)

**Additional Price Concessions**

- Coupon, co-pay assistance programs (esp. for patients with deductibles)
- Administrative fees to group purchasing organizations and PBMs

**Manufacturer Realized Price**

Net price supports:

- broad access for patients
- insurance benefit design with co-pays of $1-$1.40/day
- placement in government programs (e.g., Medicaid, VA, DoD, Medicare)