

HSRN DATA BRIEF: NATIONAL SALES PERSPECTIVES™

DATA SUMMARY

The National Sales Perspectives™ (NSP) is considered the industry standard for measuring pharmaceutical spending. This is because NSP captures 100% of the total U.S. pharmaceutical market, measuring sales at actual transaction prices rather than using an average wholesale price. The NSP is used by a variety of healthcare policy setters and decision makers to monitor and assess national sales given its accuracy representing 100% of the U.S. pharmaceutical sales market.

DATA SAMPLE

The IMS National Sales Perspectives monitors every major class of trade and channel of distribution for prescription pharmaceuticals, over-the-counter products and select, self-administered diagnostic products in the United States, measuring volume of dollars and units moving from manufacturers into various outlets within all 50 states.

Universe

The IMS sales database is derived from the processing of more than 1.5 billion transactions each year. These transactions reflect both direct sales from approximately 100 pharmaceutical companies and indirect sales information from over 700 distribution centers. The universe of these direct and indirect sales are made to over 552 wholesalers, 223 drug and food chain warehouses, 5,793 non-federal hospitals and 334 federal government and non-government mail service pharmacies.

Sample

The NSP data is derived from a sample of the universe based on information provided by reporting manufacturers and projected to 100% of the total market. In addition, the NSP sample includes indirect sales of retail & non-retail channels currently collected from 322 wholesalers and 60 drug chain distributors, a panel of over 300 non-federal hospitals, and 142 mail service pharmacies. This data is obtained from invoice data sent to IMS by various suppliers via electronic submission.

ALTERNATIVE SOURCES OF SIMILAR DATA

The NSP is distinct from the IMS National Prescription Audit™, which is described in another HSRN Data Brief. Whereas the National Prescription Audit captures the demand for prescription drugs across retail, standard mail service, specialty mail service, and long-term care, the NSP focuses on the sales and distribution of prescription, over-the-counter, and select self-administered diagnostic products from manufacturers into various outlets. There are two alternate data sources of sales information - NDC PHAST by Wolters Kluwer and SDI's VONA. Both NDC PHAST and Vona estimate retail prescription prices. NSP is the only industry source of true sales into both retail and non-retail pharmacies. NSP's use of invoice price to the pharmacy is the best representation of actual product or market potential and is a critical input towards measuring true sales. For example, the utilization of actual transaction prices enables the most accurate projections for genericized markets which are highly price sensitive. Other key NSP advantages include exclusive supplier agreements with Caremark Therapeutic Services (CTS) and Omnicare. CTS provides unique insights into specialty pharmaceutical mail service and Omnicare provides key insights into the Long Term Care channel as the nation's largest nursing home provider.

KEY DATA ELEMENTS

NSP provides data elements related to the sales dollars and volume of pharmaceutical products to retail and non-retail outlets. Sales Dollars or extended units are the recommended measure for capturing sales volume.

Category	Data Details				
Product	<ul style="list-style-type: none">Anatomical classification/ USC drug classification codeForm/strengthManufacturer/corporation/launch date				
Sales	<ul style="list-style-type: none">Sales DollarsEaches (Injectable Vials)Units (Bottles or packaged unit)KilogramsExtended Units (numbers of pills or milliliters of liquid)				
Class of Trade	<table><thead><tr><th><u>Retail</u></th><th><u>Non-Retail</u></th></tr></thead><tbody><tr><td><ul style="list-style-type: none">Chain StoresFood StoresMass MerchandisersIndependentsMail Service (Unprojected)</td><td><ul style="list-style-type: none">Non-Federal HospitalsFederal FacilitiesHMOsClinicsLong-Term CareHome HealthcareMisc. (Prisons, Universities, etc.)</td></tr></tbody></table>	<u>Retail</u>	<u>Non-Retail</u>	<ul style="list-style-type: none">Chain StoresFood StoresMass MerchandisersIndependentsMail Service (Unprojected)	<ul style="list-style-type: none">Non-Federal HospitalsFederal FacilitiesHMOsClinicsLong-Term CareHome HealthcareMisc. (Prisons, Universities, etc.)
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PUBLICATIONS USING DATA SOURCE

The National Sales Perspectives database is particularly valuable for addressing research questions that focus on trends or estimates of supply-side sales volume or costs. Below are examples of recently published works using the NSP.

1. Hicks LA, Suda KJ, Roberts RM, Hunkler RJ, Taylor TH, Danziger LH. Data Reveal Wide Geographic Variability in Antimicrobial Use in the United States, 2009. Poster, Infectious Disease Society of America, October, 2010. <http://idsa.confex.com/idsa/2010/webprogram/Paper3571.html> and *Poster, Infectious Disease Society of America, October, 2010*
The authors used National Sales Perspective™ (NSP) to document that roughly two-thirds of U.S. sales of antibiotics in 2009 were distributed through non-acute channels. Additional observations were made through the use of Xponent™: A group of Southern states exhibited inordinately high prescribing rates of all classes of antibiotics; and states in which CDC-funded appropriate antibiotic use campaigns were in place exhibited below-average prescribing rates.
2. Philipson T, Berndt ER, Gottschalk AHB, Sun E. Cost-Benefit Analysis of the FDA: The Case of the Prescription Drug User Fee Acts. *Journal of Public Economics*. 2008;92:1306-1325.
http://web.mit.edu/cbi/publications/JPubE_Philipson.pdf
The authors used National Sales Perspectives™ (NSP) data to estimate the welfare effects of the Prescription Drug User Fee Acts (PDUFA). They found that PDUFA raised the private surplus of producers by about \$7 to \$11 billion and raised consumer welfare between \$7 to \$20 billion; thus the combined social surplus was raised by \$14 to \$31 billion, which is the equivalent of 140,000 to 310,000 life years.
3. Alexander GC, Sehgal NL, Moloney RM, Stafford RS. National Trends in Treatment of Type 2 Diabetes Mellitus, 1994-2007. *Archives of Internal Medicine*. 2008;168:2088-2094.
<http://www.ncbi.nlm.nih.gov/pubmed/18955637>
The authors used the National Disease and Therapeutic Index™ (NDTI), National Prescription Audit™ (NPA), and National Sales Perspective™ (NSP) to analyze medications prescribed between 1994-2007 for Type 2 diabetes. They also estimate total costs of diabetes treatments between 2001 and 2008. They conclude that increasingly complex and costly diabetes treatments are being applied to a growing population.