“Many a Slip Twix Cup and the Lip”: Searching 10-Ks for Windfall Profits from a Change in AWP-Markup Ratio

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AWP Markup Ratio
Price Basis to Cost Basis Ratio
= AWP / WAC

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PBM Reimbursement Discount
Price Basis to Price Ratio
AWP / Price

Manufacturers’ Discount
Cost Basis to Cost Ratio
= WAC / AMP

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Pharmacy Business Gross Profit Margin
Price to Cost Ratio

= AWP Markup Ratio * Manufacturer’s Discount
Reimbursement Discount

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Corporate 10-K Gross Profit Margin

= (Weight * Pharmacy Gross Profit Margin) + (Weight * Other Businesses Gross Profit Margin)