



***WELCOME!***





## How employers can reduce prescription drug spending

By Alyssa Place January 14, 2020 1:47 PM



## Employers Focus on High-Cost Claims, Drug Spending into 2020

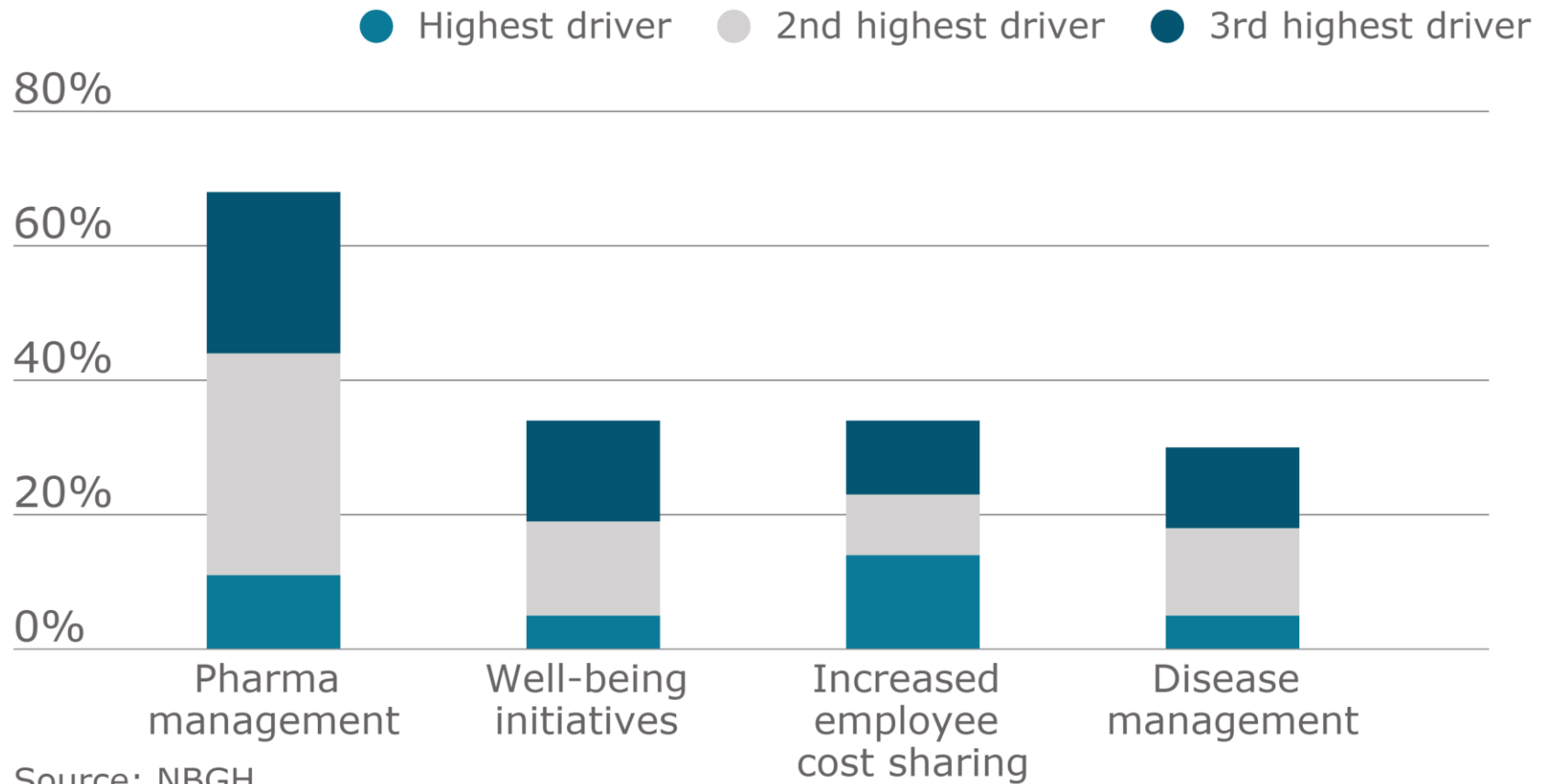
Employers will seek to address high-cost claims by looking into new cost control methods, minimizing the effects of rebates, and changing their health plans or PBMs.



Source: Thinkstock

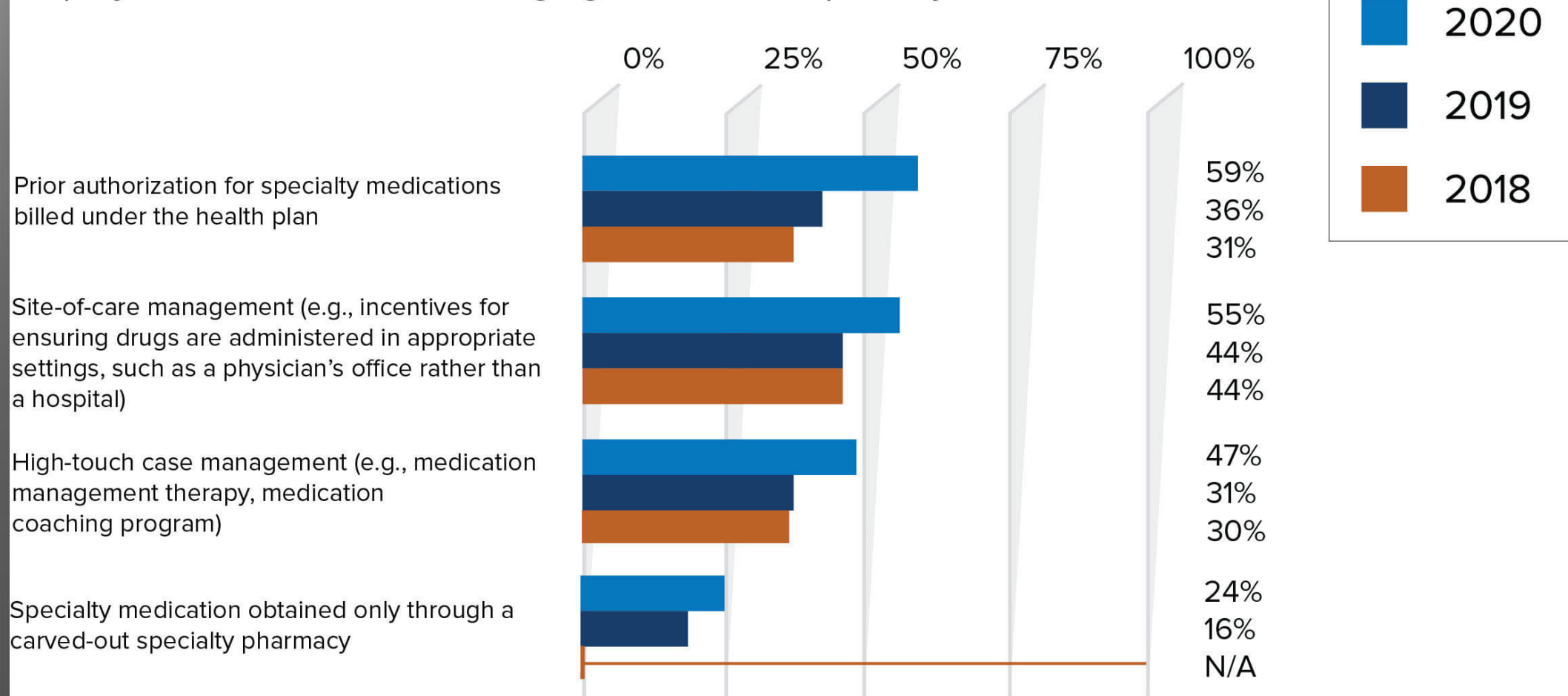
# Curbing costs

The most effective tactics employers are using to control healthcare expenses



# Controlling Specialty Drug Costs

Employers are focused on managing the costs of specialty medications.



Source: National Business Group on Health, 2020 Large Employers' Health Care Strategy and Plan Design Survey.





# **LIVE workshop:** *Prescription Drugs: Take Control of Health Benefit Spending*

ELIMINATE THE EXCUSES  
CHANGE THE STORY  
IMPROVE THE QUALITY

# Today's Journey

- ✓ Webinar is being **RECORDED**
- ✓ Increase **ACCESS** for the **WIN**
  - ✓ Better health and benefits for employees
  - ✓ Lower cost for employers
  - ✓ Healthcare providers fulfill mission
- ✓ Ask in CHAT / **Q&A section**
- ✓ Your participation will be rewarded
  - ✓ Wait to the end... it will be **WORTH IT**
- ✓ **SAVE THE DATE**
  - ✓ **12/21 = Next Employer Facing Webinar**



# TRANSPARENT HEALTH BENEFITS



- ✓ **19-year** employee benefits professional
- ✓ **12 years** at Willis
- ✓ **\$3.5m+** personal production
- ✓ Chief Growth Officer for **\$350m+** practice
- ✓ Self-funding and health management **expert**
- ✓ Creator of the THB movement and disruptor of the status quo



**LESTER J MORALES**

**Founder & CEO, Next Impact**

**Creator of Transparent Health Benefits**

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# OUR TOPICS

- ✓ Transparency in Rx
- ✓ The Honest PBM
- ✓ Specialty Drug Cost

# OUR SPEAKERS



**Rachel Strauss**

*Director of Strategic  
Development*



**Bill Miller**

*CEO*



**Nicole Elover**

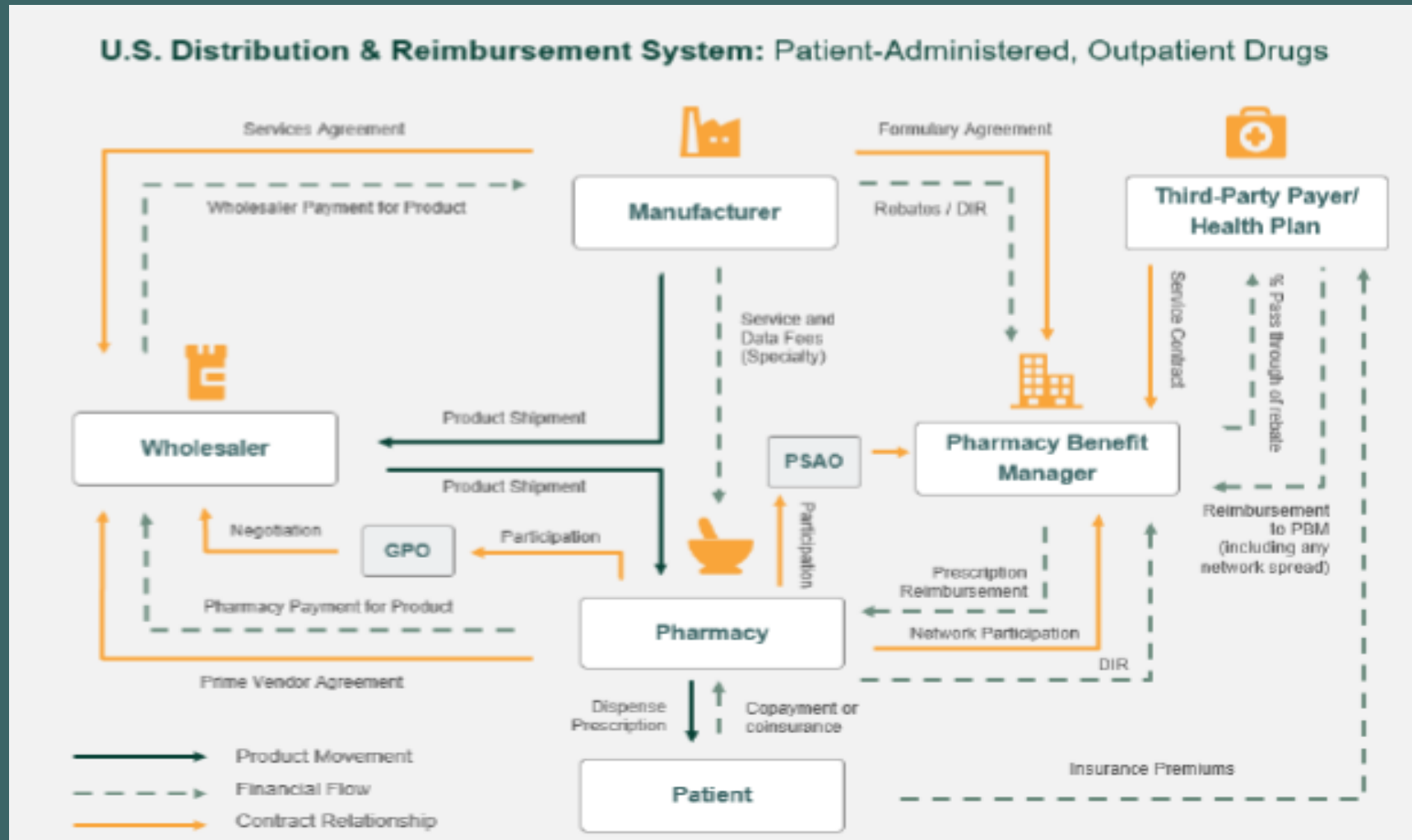
*National Sales Executive*



# *Transparency in Rx*



# The PBM Supply Channel – How medications get to the consumer





# PBMS: Not All Are Created Equal



2 Key Models:  
Traditional vs. Pass-  
Through



What "Transparent"  
Actually Means



Dissecting a  
Contract – what  
to look for

# The Rebate Debate



**How do they work?**

# NO REBATES. PERIOD.

## Transparency - Redefined:

EHIM does not collect, receive or distribute revenues, remuneration, rebates or incentives of any kinds from pharma or rebate aggregators in exchange for formulary placement and market share improvement.

In the absence of this conflict of interest, EHIM retains complete autonomy to design customized formularies- allowing clients to achieve their plan performance goals.



# The Reality of Rebates

Rebates are a form of a price concession paid by the pharmaceutical manufacturer to the Pharmacy Benefit Manager or Health Plan Sponsor working on the plan's behalf.

## The Reality of Rebates

Drive market share towards specific products

Add layers behind even the most transparent pass-through contracts

Constrict plan sponsors from being reactive to industry changes, including generic availability

Increase trend of spend

Influence prior authorizations – higher approval rate for rebatable drugs



# The Cost of Rebates: EpiPen

In the summer of 2017, the price of brand name EpiPen unexpectedly surged, while the price of its generic alternative remained stable and affordable.



Other PBMs kept brand name EpiPen not only on their formulary, but as a **preferred drug**. This is because PBMs are unable to change their formularies on a whim due to manufacturer and pharmaceutical rebate relationships; any such change would negatively impact their revenue, despite having the opportunity to save their clients significantly.



# The Cost of Rebates: EpiPen

EHIM was able to **react in real-time**, adjusting clients' formularies to exclude the brand name and automatically replace it with the generic alternative.

Our clients experienced **immediate financial relief** while members still got the life-saving medication they needed.



SAVINGS PER SCRIPT

\$\$\$\$\$

VS.

AVERAGE BRAND REBATE

\$

Today, brand name EpiPen continues to hold a significantly higher price tag than generic alternatives. The brand name drug **Auvi-Q** has a **\$5,800 price tag**, a drug EHIM does not put on our formulary. Other PBMs have this medication as a preferred or non-preferred medication on their formulary. Why? **REBATES**.

EpiPen Price

\$600

VS.

Auvi-Q

\$5,800

VS.

Current Generic Price

\$250

# No Rebates in Action: Formulary Impact

- Below are 7 examples of medications excluded by EHIM formulary. Each medication has a preferred therapeutic alternative. There were 31 medications in the file provided.
- These 7 medications accounted for \$659,295 of a sample plan cost. Converting the members to the therapeutic alternative would save \$656,527 (99.6%).

Medication	# of Rx	Total Current Plan Cost	Preferred Therapy Cost	Total Savings	Preferred Therapy Alternatives
Duexis Tab 800-26	61	\$157,888	\$359	\$157,529	Ibuprofen 800mg tabs RX & Famotidine 20mg tab RX or Famotidine OTC and Ibuprofen 200mg OTC
Fenoprofen Cap 200mg	13	\$40,397	\$36	\$40,361	Ibuprofen or Naproxen
Jublia Sol 10%	14	\$8,522	\$893	\$7,629	Terbinafine 250mg Tabs; Itraconazole 100mg cap
Kamdoy Emu	17	\$74,083	\$255	\$73,828	Lidocaine ointment 5%
Kerydin Sol 5%	2	\$2,883	\$128	\$2,755	Tebinafine 250mg tabs; itraconazole
Metformin ER Tab 1000mg, 1000mg ER, & 500mg	64	\$322,657	\$843	\$321,813	Metformin 500mg tab (standard release) x1 or x2
Vimovo Tab 500-20	22	\$52,866	\$254	\$52,612	Naproxen 500mg tabs RX & Esomeprazole 20mg caps RX or Naproxen 220mg (Aleve) OTC and Esopmeprazole 20mg OTC

# *Case Study*







## The EHIM Experience

Client Case Study:  
*An "Education" in  
Plan Design*

## Client Background:

- 785 Employees, Private Collegiate Institution
- Previously Self-Funded with one of country's largest PBMs
- Mis-Aligned Incentives
  - No actionable recommendations for plan design, outside of "increase of rebates"
- Group is very paternalistic, customer service was a huge part of importance for client
- A Number of Specialty members identified in the pre-sales process

## On-Boarding:

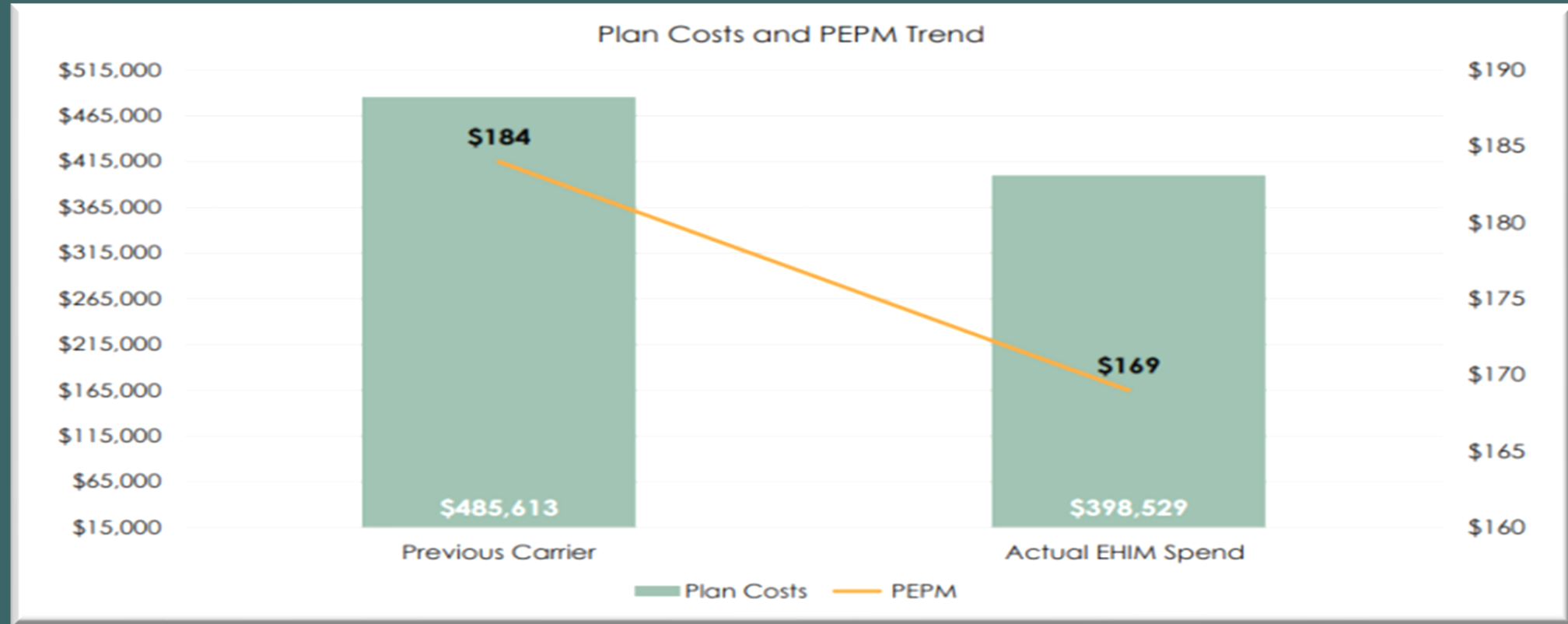
- Weekly implementation calls 90 days before start
- Members were given welcome letters, and Specialty members were reached out to in advance of the plan at the direction and blessing of the employer
- EHIM Clinical Team given large runway for managed approach for members and prior authorization in order to minimize disruption

# Financial Summary

At 84.2%, Generic Utilization Rate (GUR) is slightly below EHIM BOB of 86.2%

Description	01/01/2021 – 03/31/2021
Average # of Eligible Employees	785
Total Plan Costs	\$398,529
Cost Per Employee Per Month (PEPM)	\$169
Number of Scripts	3,294
Plan Cost Per Rx	\$121
Generic Utilization %	84.2%
Generic Cost Per Rx	\$29
Brand Utilization %	14%
Brand Cost per Rx	\$359
Specialty Cost per Rx	\$4,214

# 1<sup>st</sup> Quarter Benchmark Comparison





# EHIM Cares Program Results

Cost Avoidance Category	(01/01/2021– 03/31/2021)
<b>Copay Assistance</b>	<b>\$33,868</b>
<b>Clinical Interventions</b>	<b>\$85,872</b>
<i>Savings as % of potential Specialty Spend</i>	<b>44.2%</b>
<i>Cost Avoidance includes any clinical intervention and may have yielded any of the following results: (1) full deferral of claim, (2) partial assistance, (3) change in therapy to a more cost effective therapeutically equivalent option.</i>	

Year	Gross Claims	Cost Avoidance	Net Plan Costs	% Cost Avoidance Savings
2021 YTD	\$518,269	\$119,740	\$398,529	<b>23.1%</b>

- EHIM Cares Program cost avoidance for the first three months of the plan year totals \$119,740. Without this program, these claims would have met clinical criteria under the prescription plan and would have resulted in paid claims, thus increasing the overall prescription drug spend.
- Specialty accounts for 38% of total plan spend. If Cares had not been implemented, specialty drugs would have represented over 52% of total plan cost.
- Of the 25 specialty conditions, 8 were new since the time of quote.
- **YTD Savings as PEPM: \$50.88**
- **YTD Savings as PMPM: \$22.21**

# 2021 Performance Highlights



Plan spend is 18% or  
\$87,000 **BELOW**  
previous carrier



PEPM is 8.2% **below** previous  
carrier



EHIM Cares  
Program secured  
assistance for  
specialty totaling  
**over \$119K**

# Thank You



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# *The Honest PBM*

**Drex**xi  
The Honest PBM

# PBM<sup>s</sup>

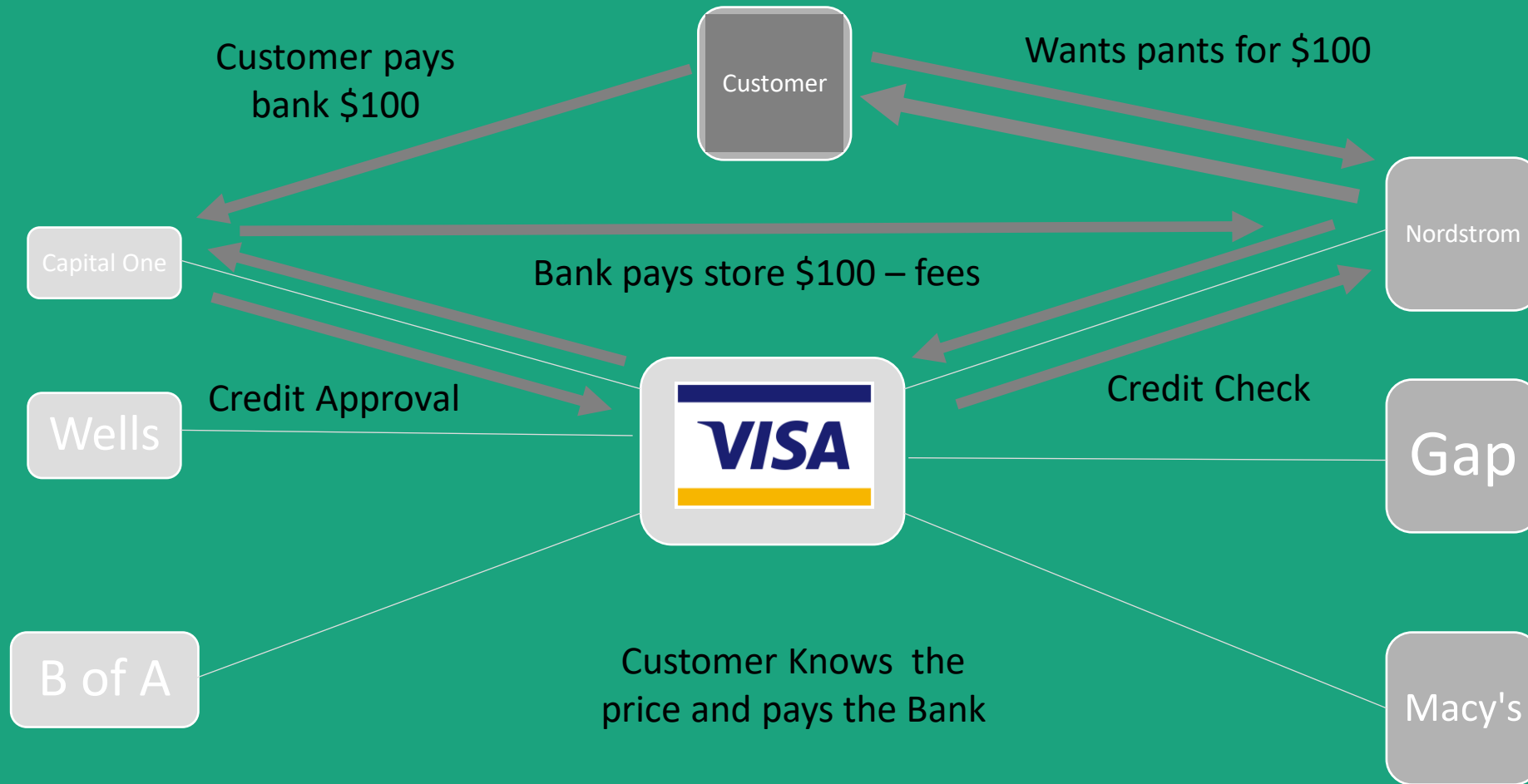
The unmasking

Pharmacy Benefit Manager

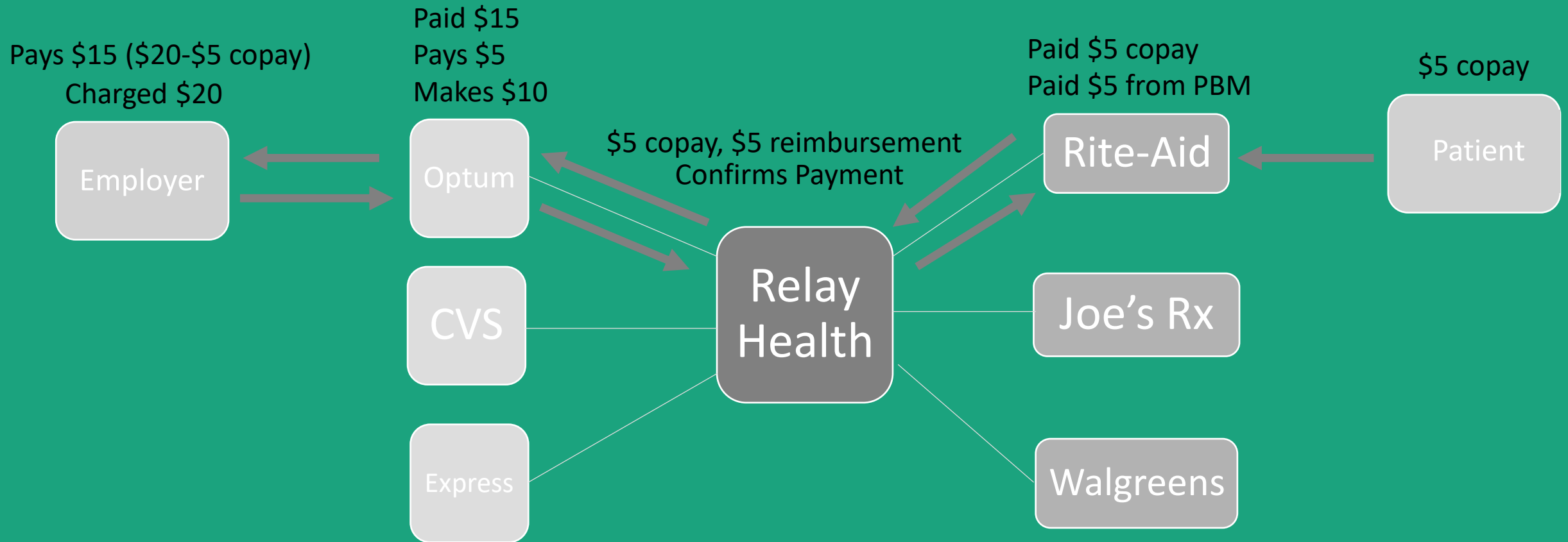




# Credit Card Network



# PBM Network (\$10 drug)



Neither Employers nor Patients know pricing

## The U.S. Pharmacy Distribution and Reimbursement System for Patient-Administered, Outpatient Prescription Drugs

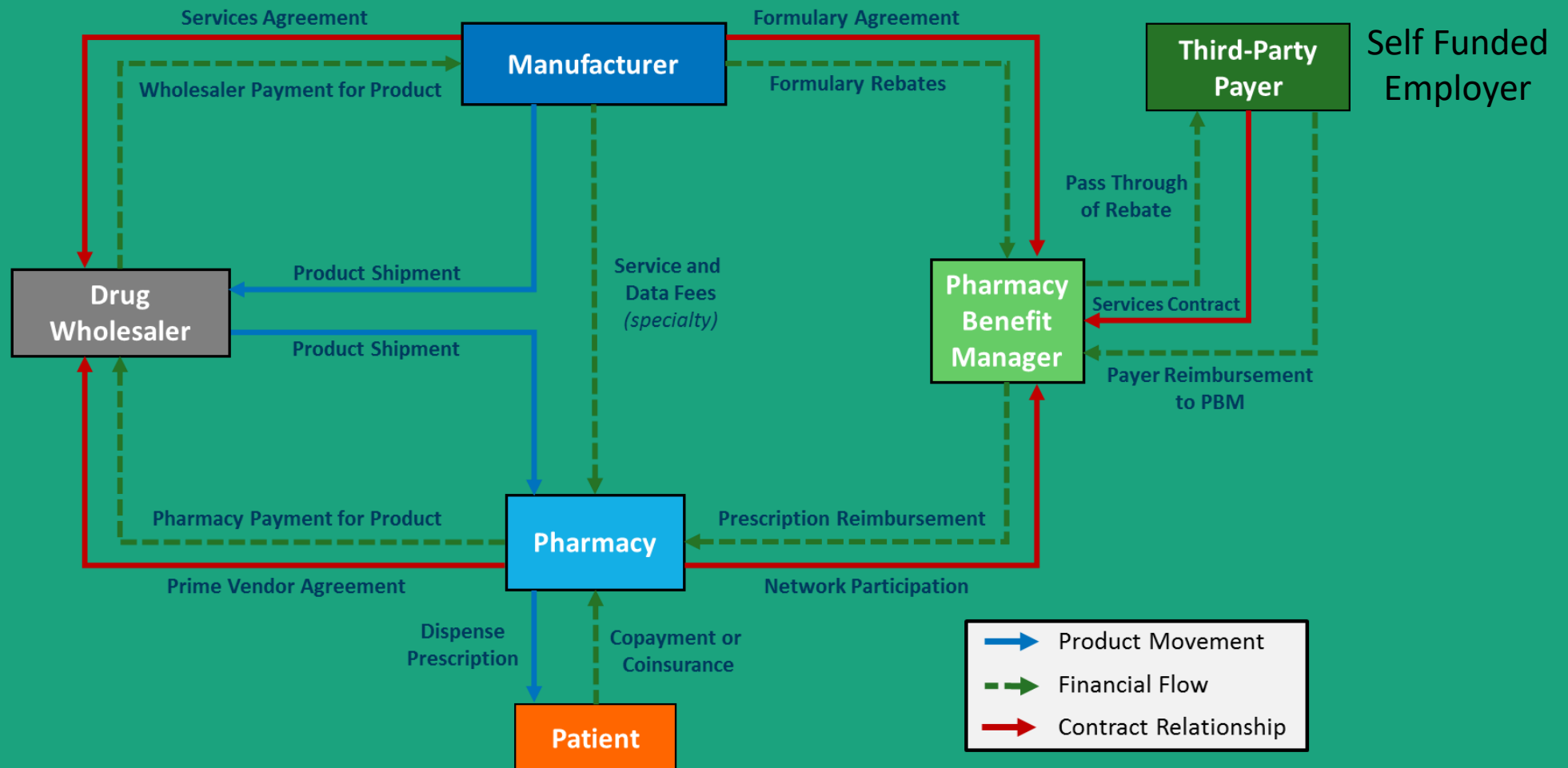


Chart illustrates flows for patient-administered, outpatient drugs. Please note that this chart is illustrative. It is not intended to be a complete representation of every type of financial, product flow, or contractual relationship in the marketplace.

Source: Fein, Adam. J., *The 2016 Economic Report on Retail, Mail and Specialty Pharmacies*, Drug Channels Institute, January 2016.

(Available at [http://drugchannelsinstitute.com/products/industry\\_report/pharmacy/](http://drugchannelsinstitute.com/products/industry_report/pharmacy/))

“The Truth Will Set You Free,  
But First, It will Make You Mad!”

Bill's Wife

# PBM responsibilities

- Clear the transactions
- Pay the pharmacy
- Manage formulary / rebates
- Manage claims data
- Clinical administration

Any of these can be manipulated to the benefit of the PBM



# Traditional PBM Revenue Sources

PBMs are often integrated with carriers / pharmacies and act in collusion with them

- Countless Revenue Sources, Opacity, Complexity
  - Spread pricing
  - Rebates on brand drugs through formulary preference
  - Pharmacy network management
  - Admin fees

# Spread Pricing

- Bill to / Pay to
  - Bill the employer more, Pay the pharmacy less
    - Multiple Drug Price files (Medispan, First Data Bank, Elsevier)
      - Manipulate AWP, drug classification, discounts
    - Multiple Mac (maximum allowable cost) lists
    - In House Pharmacies ( Retail, Mail Order, Specialty)

# Rebates

- Keep all or some of rebates
- Reclassify rebates to other revenue
  - Patient outreach by the PBM
  - Prescriber outreach by the PBM
  - Data sale
  - Rebate admin fee paid by mfg.
- Hide all or a portion of the rebate in the PBM owned pharmacy
- Formulary Management to maximize rebates

# Traditional Rebate Strategy

Ampyra  
Dalfampridine ER

Average \$2,906

Average \$108

Best store \$96

Novolog  
Insulin Aspart

Average \$1,852

Average \$425

Best store \$125



Novo Nordisk announced that it will offer “authorized generic” versions of its insulin aspart and insulin aspart mix beginning in January 2020, with the follow-on brands priced 50% lower than the current list price of its branded versions of the drugs.





## Our commitment to affordability

Novo Nordisk Pharma, Inc. wants to help people who are struggling to afford their insulin. We also know that people with diabetes face different situations and one solution won't work for everyone. With the availability of Unbranded Biologic insulin products Insulin Aspart Injection and Insulin Aspart Protamine and Insulin Aspart Injectable Suspension (Insulin Aspart Mix), we are providing an affordability option as part of our commitment to the community.



### What is list price and what does it mean?

List price is the original price set for a medication by a manufacturer before any discounts or rebates are applied. The amount a person pays for their prescription will vary depending on their benefit design and formulary coverage. Even those with insurance may be exposed to paying list price before they meet their deductible, especially those in high-deductible health plans; in addition, some benefit designs may require a person to pay a percentage of list price through coinsurance.

#### Insulin Aspart list prices:

10-mL vial/1000 units:	\$144.68
<hr/>	
5x3-mL PenFill® (box of 5 pens)/1500 units:	\$268.73
<hr/>	
5x3-mL FlexPen® (box of 5 pens)/1500 units:	\$279.41

#### Insulin Aspart Mix list prices:

10-mL vial/1000 units:	\$150.06
<hr/>	
5x3-mL FlexPen® (box of 5 pens)/1500 units:	\$279.41

Lilly's Non-Branded Insulins

**You're committed to  
managing your diabetes.**

**Lilly is committed to  
ensuring you can afford  
your Lilly insulin.**

That's why we offer a portfolio of lower list-priced\* insulins.



Insulin Lispro Injection U-100



[Learn more](#)

Insulin Lispro Protamine and Insulin Lispro Injectible  
Suspension Mix75/25™ KwikPen®



[Learn more](#)

Insulin Lispro Injection  
Junior KwikPen®



[Learn more](#)

**Drex**  
Making Wellness Affordable

# Lilly's portfolio of non-branded insulins may help to reduce your out-of-pocket costs\*



When you pick up your prescription, your pharmacist can help determine your least expensive option.

**\*Important:** For many people with commercial drug insurance, Lilly's Humalog branded insulin may still have a lower out-of-pocket cost than Lilly's non-branded insulins.

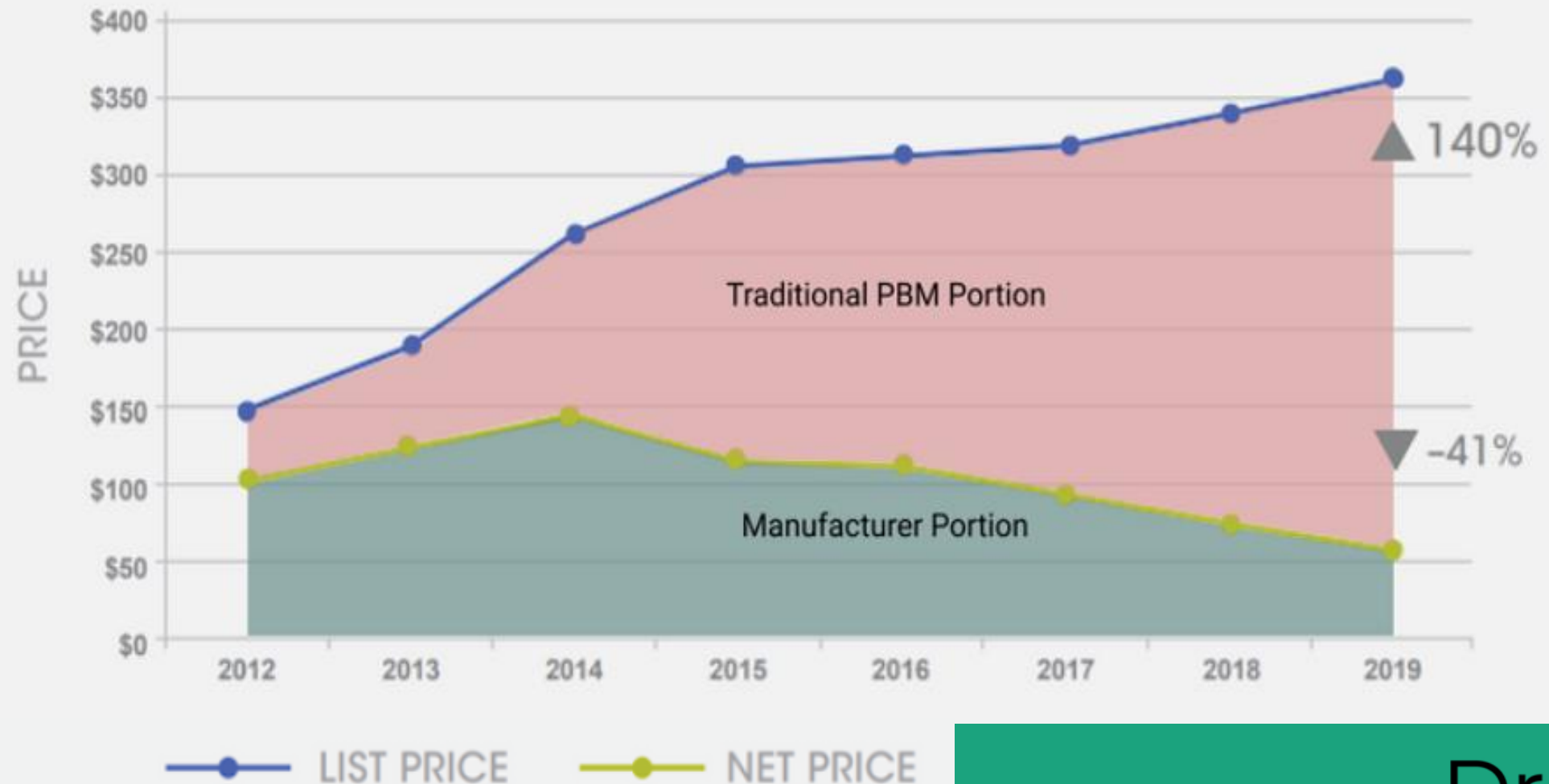
\*You should consider formulary status of all medications you may be taking when making enrollment decisions.



If you are struggling to afford the medication or diabetes care you need, please call the **Lilly Diabetes Solution Center** at 1-833-808-1234.

[Learn about pricing](#)

# Price of Insulin Paid by Employers and Employees



# Don't Chase Rebates!

But don't say no to free money!



# Employers should get the following

- Full disclosure of fees
- Full access to data
- Best rebate deal possible
- Pass through pricing from the pharmacy, not another PBM
- A PBM without conflicts

# PBM without Conflicts

- Select best pharmacy for script acquisition
- Alternative sourcing for drugs
  - International
  - Manufacturer Programs
  - Foundations
- Collaborative formulary management (PBM, Employer, Advisor)
- Cooperation with third party cost containment solutions

# Pharmacy Benefits Management

Winner in Category:

**GOLD**    **Drex**



**HealthValue**Awards

Presented by **Validation**Institute

# *Specialty Drug Cost*



script**sourcing**

# DIRECT 1200 EMPLOYEE MUNICIPALITY CARE



## SAVINGS REPORT FOR 1200 EE MUNICIPALITY

DOS	MEDICATION	SOLUTION	DAY SUPPLY	DOSAGE	PBM	SS COST	SAVINGS	AMOUNT DUE
01/24/2017	Orencia Injection	MAP	90	125 MG/mL	\$11,163	\$165	\$10,998	\$2,915
1/31/2017	Enbrel Injection	MAP	90	50 MG	\$13,124	-	\$13,124	\$3,281
2/10/2017	Tecfidera	MAP	90	240 MG	\$20,010	-	\$20,010	\$5,002
2/10/2017	Tecfidera	MAP	90	240 MG	\$20,010	-	\$20,010	\$5,002
2/22/2017	Myrbetriq	IPP	90	50 MG	\$1,016	\$262	\$754	\$450
2/22/2017	Elmiron	IPP	100	100 MG	\$3,311	\$647	\$2,664	\$1,313
2/22/2017	Nexium	IPP	84	20 MG	\$287	\$161	\$126	\$192
2/22/2017	Zetia	IPP	84	10 MG	\$1,219	\$234	\$985	\$480
3/10/2017	Zetia	IPP	84	10 MG	\$937	\$174	\$763	\$365
3/10/2017	Ventolin HFA	IPP	50	90 MCG	\$168	\$63	\$105	\$89
3/10/2017	Advair HFA	IPP	90	45/21 MCG	\$870	\$186	\$684	\$357

# DIRECT 1200 EMPLOYEE MUNICIPALITY CARE

## TOP 10 MEDS (SAVINGS)

1	TECFIDERA	\$423,440.58
2	HUMIRA INJECTIONS	\$374,644.80
3	KUVAN	\$373,851.40
4	HUMIRA PEN	\$296,542.58
5	ENBREL INJECTIONS	\$169,764.56
6	LAMICTAL TABLETS	\$148,766.05
7	OTEZLA	\$141,926.68
8	ENBREL	\$124,870.32
9	STELARA	\$81,604.05
10	HUMIRA	\$81,448.05

**944**

*# of Scripts for  
Period*

**104**

*# of Members for  
Period*

**\$2,403,155**

*Net Savings for  
Period*

**\$99,554**

*Net Savings YTD*

*Inception Date:*

**OCTOBER 2016**

*Length of Time as Client:*

**4 YEARS, 5 MONTHS**

*Net Savings Since Inception:*

**\$2,403,155**



# 1000 EMPLOYEE MEDICAL SUPPLY COMPANY



## 1000 EE MEDICAL SUPPLY COMPANY SAVINGS REPORT

DOS	MEDICATION	SOLUTION	DAY SUPPLY	DOSAGE	QUANTITY	PBM	SS COST	SAVINGS	AMOUNT DUE
1/13/2021	Trulicity	IPP	90	1.5 mg/0.5 ml	12	\$2,201	\$1,572	\$628	\$1,730
1/14/2021	Novolog	IPP	90	100 u/ml	35	\$3,739	\$1,135	\$2,604	\$1,786
1/14/2021	Levemir	IPP	90	100 iu/ml	20	\$1,771	997	\$773	\$1,191
1/18/2021	Humatrope	MAP	90	12 mg	3	\$3,157	-	\$3,157	\$789
1/19/2021	Basaglar	IPP	90	100 iu/ml	20	\$998	\$655	\$343	\$741
1/19/2021	Januvia	IPP	90	100 mg	90	\$1,429	\$685	\$744	\$871
1/21/2021	Victoza	IPP	90	6 mg/ml	9	\$2,916	\$1,432	\$1,483	\$1,803
1/25/2021	Breo Ellipta	IPP	90	100 mcg/25 mcg	90	\$512	\$464	\$48	\$476
1/25/2021	Humira	MAP	90	40 mg/0.4 ml	6	\$17,623	-	\$17,623	\$4,406
1/26/2021	Trintellix	IPP	84	20 mg	84	\$1,097	\$479	\$618	\$633
1/27/2021	Jardiance	IPP	90	25 mg	90	\$1,557	\$760	\$817	\$964

# DIRECT 1200 EMPLOYEE MUNICIPALITY CARE

## TOP 10 MEDS (SAVINGS)

1	HUMIRA	\$123,390.45
2	ENBREL	\$123,390.45
3	RINVOQ	\$15,592.53
4	STELARA	\$15,017.19
5	XELJANZ XR	\$14,559.30
6	TECFIDERA	\$8,899.28
7	XIFAXAN	\$8,165.31
8	XOLAIR	\$7,469.28
9	HUMATROPE	\$3,157.09
10	TALTZ	\$3,126.78

**38**

*# of Scripts for  
Period*

**30**

*# of Members for  
Period*

**\$177,466**

*Net Savings for  
Period*

**\$177,466**

*Net Savings YTD*

*Inception Date:*  
**JANUARY 2021**

*Length of Time as Client:*  
**3 MONTHS**

*Net Savings Since Inception:*  
**\$177,466**

# 850 EMPLOYEE NON-PROFIT



## 850 EE NON-PROFIT ORGANIZATION SAVINGS REPORT

DOS	MEDICATION	SOLUTION	DAY SUPPLY	DOSAGE	QUANTITY	PBM	\$\$ COST	SAVINGS	AMOUNT DUE
6/29/2020	Enbrel	IPP	90	50 mg/ml	12	\$15,593	\$8,803	\$6,790	\$10,500
7/10/2020	Humira	MAP	90	40MG/0.4ML	6	\$16,469	\$180	\$16,289	\$4,252
7/22/2020	Novolog Vial	IPP	90	100 iu/ml	6	\$1,663	\$593	\$1,070	\$861
7/28/2020	Victoza	IPP	90	6 mg/ml	9	\$2,777	\$1,337	\$1,440	\$1,697
7/28/2020	Lantus	IPP	90	100 U/ml	15	\$1,068	\$572	\$496	\$696
8/2/2020	Ozempic	IPP	60	1 mg	6	4,649	\$2,450	\$2,200	\$3,000
8/2/2020	Combivent Respimat	IPP	90	100/20 mcg	3	\$1,228	\$350	\$878	\$569
8/4/2020	Novolog Flextouch	IPP	90	100 iu/ml	15	\$1,606	\$572	\$1,034	\$831
8/4/2020	Tresiba	IPP	90	100 u/ml	5	\$510	\$315	\$195	\$364
8/4/2020	Trulicity	IPP	90	1.5 mg/0.5 ml	12	\$2,078	\$1,515	\$563	\$1,656
8/4/2020	Elliquis	IPP	90	5 mg	180	\$1,354	\$677	\$677	\$847
8/6/2020	Victoza	IPP	9	6 mg/ml	9	\$2,777	\$1,327	\$1,450	\$1,690
8/6/2020	Victoza	IPP	90	6 mg/ml	9	\$2,777	\$1,372	\$1,405	\$1,724
8/6/2020	Januvia	IPP	90	100 mg	90	\$1,362	\$692	\$670	\$859
8/6/2020	Crestor	IPP	90	20 MG	180	\$775	\$580	\$195	\$629

# DIRECT 1200 EMPLOYEE MUNICIPALITY CARE

## TOP 10 MEDS (SAVINGS)

1	HUMIRA	\$65,416.26
2	KUVAN	\$49,957.83
3	ENBREL	\$36,483.27
4	VICTOZA	\$16,160.33
5	OZEMPIC	\$14,854.62
6	TRESIBA	\$11,164.20
7	DUPIXENT	\$9,461.22
8	JARDIANCE	\$9,416.72
9	TRULICITY	\$8,982.19
10	NOVOLOG VIAL	\$7,758.10

**172**

*# of Scripts for Period*

**40**

*# of Members for Period*

**\$210,606**

*Net Savings for Period*

**\$44,940**

*Net Savings YTD*

**25%**

*Performance Base  
Compensation*

*Inception Date:*

**JUNE 2020**

*Length of Time as Client:*

**9 MONTHS**

*Net Savings Since Inception:*

**\$210,606**

# *Case Study*





# VERSUS THE BEST

- ✓ 300 life manufacturing company
- ✓ Currently with the BEST
- ✓ Transparency + Specialty Sourcing = \$600,000 in savings

Med Name	Employee Paid	Plan Paid	Total
HUMIRA PEN 40/0.4ML	\$64,647.25	\$159,142.83	\$223,790.08
STELARA 90MG/ML	\$4,969.81	\$179,542.31	\$184,512.12
TECFIDERA 240MG	\$14,985.99	\$68,335.67	\$83,321.66
STELARA 45MG/0.5	\$18,618.02	\$16,283.23	\$34,901.25
VOTRIENT 200MG	\$0.00	\$27,982.02	\$27,982.02
XOLAIR 150MG/ML	\$5,560.27	\$22,241.07	\$27,801.34
HUMATROPE 24MG	\$3.09	\$19,560.09	\$19,563.18
HUMIRA PEN	\$0.00	\$16,904.36	\$16,904.36
PROMACTA 25MG	\$14,613.37	\$1,232.21	\$15,845.58
UCERIS 9MG	\$3,572.23	\$5,197.55	\$8,769.78
XOLAIR 75/0.5	\$1,390.04	\$5,560.27	\$6,950.31
ENBREL SRCLK 50MG/ML	\$5,153.36	\$0.00	\$5,153.36
XIFAXAN 550MG	\$509.37	\$1,810.07	\$2,319.44
AIMOVIG PEN 140MG/ML	\$0.00	\$586.79	\$586.79
<b>Total</b>	<b>\$134,022.80</b>	<b>\$524,378.47</b>	<b>\$658,401.27</b>

Based on data from 1/1/20 to 12/31/20

<b>MAP Saving Opportunity :</b>	<b>\$658,401</b>
100% success rate :	\$658,401
80% success rate :	\$526,721
60% success rate :	\$395,041
40% success rate :	\$263,361
20% success rate :	\$131,680

Based on data from 1/1/20 to 12/31/20

Current Carrier Claims	01/01/2020 – 12/31/2020
Current Carrier Plan Costs	\$1,198,442
PBM Claims Analysis	
PBM Estimated Plan Costs	\$1,164,630
Total Discount Savings (\$ / %)	\$33,812 / 2.8%
PBM Managed Care Analysis	
Estimated Savings from PBM Formulary Management	\$31,339
Estimated Savings from PBM CARES	\$334,077
PBM Selected Meds Program	\$147,373
Total PBM Managed Care Savings (\$ / %)	\$512,789 / 42.8%
Final PBM Costs	
Total Estimated PBM Costs With Discounts and Managed Care	\$651,841
Total PBM Savings (Discounts + Managed Care) (\$ / %)	\$546,601 / 45.6%

PBM Drug Detail										
Drug Name	Drug Type	Bio Found	Claim Count	Avg Claim Amt	PBM Avg Claim Amt	Total Claim Amt	PBM Total Claim Amt	PBM Savings	Best Total Claim Amt	PBM Best Savings
Rosuvastatin Calcium	G		129	\$73.16	\$4.24	\$9,438.14	\$546.80	\$8,891.34	\$546.80	\$8,891.34
Humira Pen	B		40	\$5,594.75	\$5,416.99	\$223,790.08	\$216,679.50	\$7,110.58	\$216,679.50	\$7,110.58
Atorvastatin Calcium	G		399	\$21.24	\$3.93	\$8,475.57	\$1,566.67	\$6,908.90	\$1,566.67	\$6,908.90
Stelara	B		11	\$19,946.67	\$19,401.74	\$219,413.37	\$213,419.18	\$5,994.19	\$213,419.18	\$5,994.19
Abiraterone	G		24	\$253.08	\$10.12	\$6,073.91	\$242.96	\$5,830.95	\$242.96	\$5,830.95
Micophenolate Mofetil	G		9	\$706.86	\$64.29	\$6,361.75	\$578.58	\$5,783.17	\$578.58	\$5,783.17
Mekinit	B		9	\$7,074.72	\$6,491.49	\$63,672.45	\$58,423.43	\$5,249.02	\$58,423.43	\$5,249.02
DULoxetine HCl	G		70	\$63.41	\$7.74	\$4,438.91	\$41.51	\$3,897.40	\$41.51	\$3,897.40
Xyrem	B		5	\$10,731.25	\$9,996.39	\$53,656.25	\$49,981.95	\$3,674.30	\$49,981.95	\$3,674.30
Montelukast Sodium	G		161	\$23.25	\$4.26	\$3,742.71	\$686.64	\$3,056.07	\$686.64	\$3,056.07
QJ/Etiapine Fumarate ER	G		7	\$427.94	\$36.14	\$2,995.56	\$252.97	\$2,742.59	\$252.97	\$2,742.59
buPROPion HCl ER (XL)	G		136	\$26.57	\$8.74	\$3,613.21	\$1,188.62	\$2,424.59	\$1,188.62	\$2,424.59
Escitalopram Oxalate	G		153	\$19.72	\$3.90	\$3,016.67	\$597.41	\$2,419.26	\$597.41	\$2,419.26
Tecfidera	B		10	\$8,332.17	\$5,938.84	\$83,321.66	\$80,948.20	\$2,373.46	\$80,948.20	\$2,373.46
FLUoxetine HCl	G		213	\$13.64	\$2.99	\$2,905.12	\$636.22	\$2,268.90	\$636.22	\$2,268.90
Fenofibrate	G		51	\$58.84	\$15.73	\$3,000.72	\$802.00	\$2,198.72	\$802.00	\$2,198.72
Ezetimibe	G		28	\$83.05	\$9.10	\$2,325.30	\$254.78	\$2,070.52	\$254.78	\$2,070.52
Sertraline HCl	G		263	\$11.19	\$3.33	\$2,943.13	\$875.82	\$2,067.31	\$875.82	\$2,067.31
Xolair	B		12	\$2,895.97	\$2,754.50	\$34,751.65	\$33,054.03	\$1,697.62	\$33,054.03	\$1,697.62
Omeprazole	G		78	\$23.41	\$3.32	\$1,826.35	\$258.71	\$1,567.64	\$258.71	\$1,567.64
Albuterol Sulfate HFA	G		113	\$28.91	\$15.07	\$3,266.46	\$1,702.59	\$1,563.87	\$1,702.59	\$1,563.87
Desvenlafaxine Succinate ER	G		23	\$98.42	\$31.26	\$2,263.75	\$719.05	\$1,544.70	\$719.05	\$1,544.70
lamoTRigine	G		63	\$29.91	\$7.25	\$1,884.55	\$456.51	\$1,428.04	\$456.51	\$1,428.04
Buprenorphine HCl-Naloxone HCl	G		15	\$156.26	\$68.01	\$2,343.88	\$1,020.18	\$1,323.70	\$1,020.18	\$1,323.70

PBM Claims Analysis (DCA)										
Claim Type	Claim Count	Distinct Drugs	Claims Total Amt	PBM Claim Amt	PBM Savings	PBM Claims Count	Average Claim Amt	PBM Avg Claim Amt	Total Rebates	Percent Savings
Brand	1,245	115	\$1,294,302.25	\$1,223,069.65	\$71,232.60	653	\$1,039.60	\$983.97	\$156,750.00	6.00%
Generic	7,491	374	\$171,503.14	\$70,619.09	\$100,884.05	4,995	\$22.89	\$9.43	\$0.00	59.00%
Total	8,736	489	\$1,465,805.39	\$1,293,688.74	\$172,116.65	5,648	\$167.79	\$148.12	\$156,750.00	12.00%



# PERFORMANCE BASED

Rx Claims Analysis											
Claim Type	Claim Count	Distinct Drugs	Claims Total Amt	Same Store Claim	Best Claim Amt	PBM Savings	PBM Claims Count	Average Claim Amt	PBM Avg Claim Amt	Total Rebates	Percent Savings
Brand	2,844	144	\$1,004,871.58	\$846,393.82	\$820,857.85	\$184,013.73	2,811	\$353.33	\$288.63	\$170,640.00	18.00%
Generic	50,266	729	\$1,912,655.93	\$849,689.17	\$439,692.72	\$1,472,963.21	49,531	\$38.05	\$8.75	\$0.00	77.00%
Total	53,110	873	\$2,917,527.51	\$1,696,082.99	\$1,260,550.57	\$1,656,976.94	52,342	\$54.93	\$23.73	\$170,640.00	57.00%
			Savings	\$1,221,444.52	\$1,656,976.94						
				42%	57%						
					(Same store savings - annual per paid claim fee) / annual per claim fee	(Best claim savings - annual per paid claim fee) / annual per claim fee					
	PBM Admin Fees										
	Per paid claim	\$ 6.00		ROI	2.80	4.20					
	Per employee per month (PMPM)	\$ 1.00									
					(Same store savings + total rebates - annual per paid claim fee) / annual per claim fee	(Best claim savings + total rebates - annual per paid claim fee) / annual per claim fee					
	Projected Fees			ROI with rebates	3.37	4.74					
	Total annual per paid claim fees	\$ 318,660.00									
	Total monthly per paid claim fees	\$ 26,555.00									

# J-CODES

- ✓ Running through the HEALTH plan
- ✓ 6-figure savings
- ✓ Mostly injectables
- ✓ Brown vs. White Bag
- ✓ Rx + Facility Costs



# PERFORMANCE BASED

- ✓ \$52K in “normal” revenue
- ✓ 10% of the savings
- ✓ Client impact > \$1,000,000 NET
- ✓ Little / NO disruption

Rx Claims Analysis											
Claim Type	Claim Count	Distinct Drugs	Claims Total Amt	Same Store Claim	Best Claim Amt	PBM Savings	PBM Claims Count	Average Claim Amt	PBM Avg Claim Amt	Total Rebates	Percent Savings
Brand	2,844	144	\$1,004,871.58	\$846,393.82	\$820,857.85	\$184,013.73	2,811	\$353.33	\$288.63	\$170,640.00	18.00%
Generic	50,266	729	\$1,912,655.93	\$849,689.17	\$439,692.72	\$1,472,963.21	49,531	\$38.05	\$8.75	\$0.00	77.00%
Total	53,110	873	\$2,917,527.51	\$1,696,082.99	\$1,260,550.57	\$1,656,976.94	52,342	\$54.93	\$23.73	\$170,640.00	57.00%
			Savings	\$1,221,444.52	\$1,656,976.94						
				42%	57%						
					(Same store savings - annual per paid claim fee) / annual per claim fee	(Best claim savings - annual per paid claim fee) / annual per claim fee					
PBM Admin Fees											
Per paid claim		\$ 6.00		ROI	2.80	4.20					
Per employee per month (PMPM)		\$ 1.00									
					(Same store savings + total rebates - annual per paid claim fee) / annual per claim fee	(Best claim savings + total rebates - annual per paid claim fee) / annual per claim fee					
Projected Fees				ROI with rebates	3.37	4.74					
Total annual per paid claim fees		\$ 318,660.00									
Total monthly per paid claim fees		\$ 26,555.00									

# HIGH IMPACT / LOW CHANGE

CATEGORY	CURRENT (Fully Insured)	RENEWAL (Fully Insured)	BUCAH ASO (Self-Funded)	Independent TPA Cigna PPO OptumRX	Independent TPA Cigna PPO Transparent PBM
THIRD-PARTY ADMINISTRATION	n/a	n/a	<b>\$239,857.92 total</b> \$141.76 pepm	<b>\$171,721.08 total</b> \$101.49 pepm	<b>\$171,721.08 total</b> \$101.49 pepm
SPECIFIC STOP-LOSS	n/a	n/a	\$100,000 ded. \$190.11 pepm <b>\$322,596.72 ann.</b>	\$75,000 ded. \$292.43 pepm <b>\$494,797.68 ann.</b>	\$75,000 ded. \$242.72 pepm <b>\$410,689.32 ann.</b>
AGGREGATE STOP-LOSS	n/a	n/a	Att. Pnt. \$2,245,284 \$14.60 pepm <b>\$24,703.20 ann.</b>	Att. Pnt. \$2,126,283 \$9.60 pepm <b>\$16,243.20 ann.</b>	Att. Pnt. \$1,575,947 \$10.87 pepm <b>\$18,392.04</b>
EXPECTED COST	n/a	n/a	\$2,383,385	\$2,483,788	\$2,176,749
MAXIMUM COST	\$2,634,156	\$2,686,797	\$2,832,442	\$2,909,045	\$2,570,736
POTENTIAL CHANGE (exp/max) \$\$\$	Current	2% ↑ \$52,641	7% ↓ \$250,771 10% ↑ \$198,286	6% ↓ \$150,368 11% ↑ \$274,889	17% ↓ \$457,407 2% ↓ \$63,420



# *QUESTIONS?*

MY MOM SAYS THE ONLY STUPID QUESTION  
IS THE ONE NEVER ASKED



# ***CALL to ACTION***

action is the key to all success



# TRANSPARENT HEALTH BENEFITS - CALL TO ACTION

Drug Name	Drug Type	Bio Found	Claim Count	Avg Claim Amt	Best Avg Claim Amt	Top Avg Claim Amt	PBM Total Claim Amt	PBM Savings	Best Total Claim Amt	PBM Best Savings
Atorvastatin Calcium	G		7,4	\$34.47	\$3.05	\$255,761.46	\$22,600.07	\$233,161.39	\$22,600.07	\$233,161.39
Rosuvastatin Calcium	G		2,2	\$73.27	\$3.47	\$167,133.58	\$7,924.03	\$159,209.55	\$7,924.03	\$159,209.55
Simvastatin	G		3,1	\$20.16	\$1.95	\$62,702.24	\$6,073.81	\$56,628.43	\$6,073.81	\$56,628.43
valAD/clovir HQ	G		2	\$106.58	\$13.75	\$30,801.58	\$3,973.38	\$26,828.20	\$3,973.38	\$26,828.20
Pravastatin Sodium	G		2,1	\$15.83	\$4.01	\$34,217.27	\$8,662.55	\$25,554.72	\$8,662.55	\$25,554.72
Methylphenidate HCl ER	G		1	\$218.74	\$68.66	\$29,967.33	\$9,406.62	\$20,560.71	\$9,406.62	\$20,560.71
Shingrix	B		6	\$176.28	\$144.48	\$109,647.94	\$89,865.35	\$19,782.59	\$89,865.35	\$19,782.59
Monoclonal Sodium	G		3	\$42.69	\$3.25	\$16,775.88	\$1,278.20	\$15,497.68	\$1,278.20	\$15,497.68
Oseltamivir Phosphate	G		2	\$112.49	\$37.03	\$22,834.99	\$7,516.74	\$15,318.25	\$7,516.74	\$15,318.25
Trulicity	B		1	\$925.81	\$755.64	\$79,619.70	\$64,984.88	\$14,634.82	\$64,984.88	\$14,634.82
Amphetamine-Dextroamphetamine ER	G		1	\$122.56	\$41.97	\$21,080.78	\$7,218.63	\$13,862.15	\$7,218.63	\$13,862.15
DULoxetine HQ	G		2	\$68.43	\$7.72	\$14,985.22	\$1,691.73	\$13,293.49	\$1,691.73	\$13,293.49
Escitalopram Oxalate	G		4	\$32.99	\$3.11	\$14,121.24	\$1,330.48	\$12,790.76	\$1,330.48	\$12,790.76
Etonogestrel-Ethinyl Estradiol	G		1	\$150.16	\$36.06	\$16,817.61	\$4,038.91	\$12,778.70	\$4,038.91	\$12,778.70
Estradiol	G		2	\$28.02	\$28.02	\$19,029.69	\$6,513.83	\$12,515.86	\$6,513.83	\$12,515.86
Drospirenone-Ethinyl Estradiol	G		4	\$42.38	\$12.48	\$17,716.25	\$5,217.03	\$12,499.22	\$5,217.03	\$12,499.22
Doxycycline Hydrate	G		1	\$70.09	\$9.72	\$13,946.44	\$1,933.57	\$12,012.87	\$1,933.57	\$12,012.87
Omeprazole	G		5	\$23.69	\$2.58	\$13,007.47	\$1,415.56	\$11,591.91	\$1,415.56	\$11,591.91
Amoxicillin-Pot Clavulanate	G		3	\$37.00	\$8.65	\$14,467.69	\$3,380.77	\$11,086.92	\$3,380.77	\$11,086.92
Clobetasol Propionate	G		1	\$173.16	\$38.27	\$14,198.99	\$3,138.37	\$11,060.62	\$3,138.37	\$11,060.62
Pantoprazole Sodium	G		4	\$27.84	\$3.03	\$11,942.28	\$1,299.79	\$10,642.49	\$1,299.79	\$10,642.49
Sertraline HCl	G		4	\$25.50	\$2.81	\$11,830.42	\$1,303.99	\$10,526.43	\$1,303.99	\$10,526.43
Ondansetron	G		1	\$61.40	\$6.18	\$11,070.70	\$940.83	\$10,129.87	\$940.83	\$10,129.87
Meclofenemine	G		1	\$500.87	\$187.70	\$16,007.50	\$6,006.34	\$10,001.16	\$6,006.34	\$10,001.16
Wixela Inhib	G		1	\$257.88	\$109.52	\$17,536.01	\$7,523.91	\$10,012.10	\$7,523.91	\$10,012.10
Lo Loestrin Fe	B		3	\$172.94	\$141.88	\$53,955.81	\$44,267.75	\$9,688.06	\$44,267.75	\$9,688.06
Losartan Potassium	G		6	\$19.81	\$4.10	\$12,083.95	\$2,499.70	\$9,584.25	\$2,499.70	\$9,584.25
Jardiance	B		1	\$611.84	\$500.13	\$50,782.50	\$41,510.85	\$9,271.65	\$41,510.85	\$9,271.65
Tri-Lo-Sprintec	G		2	\$40.63	\$6.72	\$10,726.18	\$1,775.18	\$8,951.00	\$1,775.18	\$8,951.00
Latuda	B		1	\$1,475.92	\$1,234.14	\$54,608.13	\$45,663.00	\$8,946.13	\$45,663.00	\$8,946.13
Verapamil HCl ER	G		2	\$46.36	\$2.46	\$10,466.93	\$1,995.64	\$8,471.29	\$1,995.64	\$8,471.29
emilODIFine Baylate	G		6	\$15.02	\$1.49	\$9,251.65	\$916.42	\$8,335.23	\$916.42	\$8,335.23
buPROFion HQ ER (XL)	G		3	\$34.17	\$9.98	\$10,864.70	\$2,855.34	\$8,009.36	\$2,855.34	\$8,009.36
Galapentin	G		3	\$31.74	\$7.05	\$10,221.78	\$2,269.62	\$7,952.16	\$2,269.62	\$7,952.16

Med Name	Dosage	Spend	MAP	IPP	IPT
ATROVENT	AER 17MCG	\$391.27		Yes	
DALIRESP	500MCG	\$382.65		Yes	
TOVIAZ	8MG	\$343.55		Yes	
INCRUSE ELPT	62.5MCG	\$336.65		Yes	
ULORIC	80MG	\$332.88		Yes	
FLOVENT DISK	250MCG	\$254.93		Yes	
LOTEMAX SM	0.0038	\$199.88		Yes	
EDARBYCLOR	40/12.5	\$194.04		Yes	
ARNUITY ELPT	50MCG	\$175.53		Yes	
QVAR	40MCG	\$171.23		Yes	
TWINRIX		\$115.00	Yes		
RENVELA	800MG	\$84.47		Yes	
ENBREL SRCLK	50MG/ML	\$0.00	Yes	Yes	Yes
LATUDA	40MG	\$0.00		Yes	
ENBREL MINI	50MG/ML	\$0.00	Yes	Yes	Yes
Total		\$1,709,290	\$970,515	\$1,536,198	\$815,401

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