



PLAN REVIEW

SAMPLE

PHARMACY BENEFIT PERFORMANCE REVIEW

2019 Year End

1/1/2019 – 12/31/2019

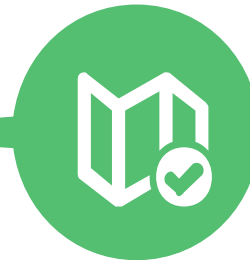
Presented By: Alan Kellogg, Principal and Senior Consultant

Date: 2/21/2020

Plan Review Agenda

PLAN SUMMARY

Review of Plan Sponsor Pharmacy Benefit Performance



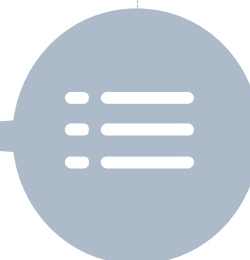
PBM PERFORMANCE

PBM Performance in Comparison to Contractual Guarantees



RX UTILIZATION

Detailed Review of Rx Claims from Plan Sponsor Utilization



MARKET UPDATE

Review of Market Trends, Costs, and other Factors



CONSULTANT RECOMMENDATIONS

Summary of Suggested Changes to enhance Future Performance

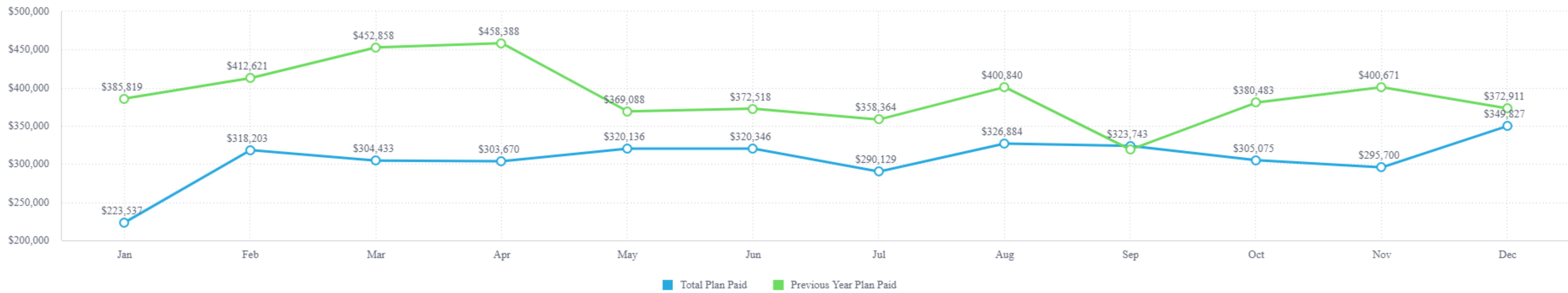


Cost Summary

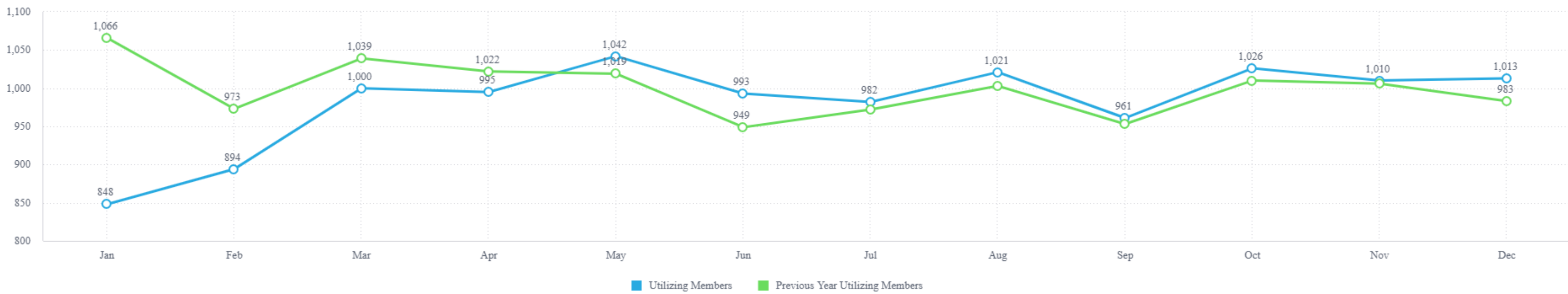
KPI	Current Period	Previous Period	Percentage Change
MEMBERSHIP			
Member Paid	\$22,547	\$26,207	-13.97%
Member Share %	0.61%	0.56%	0.05%
CLAIMS			
Total Claim Count	27,396	27,329	0.25%
Retail	19,467	17,397	11.90%
Retail Maintenance	5,890	4,496	31.01%
Mail Order Claims	1,768	5,043	-64.94%
Specialty Claims	392	393	-0.25%
Generic Dispensing Rate	81.49%	80.58%	0.91%
Rx SPEND			
Gross Cost	\$3,704,232	\$4,709,767	-21.35%
Total Plan Paid	\$3,681,686	\$4,683,560	-21.39%
Retail 30 Plan Paid	\$1,558,823	\$1,731,113	-9.95%
Retail 90 Plan Paid	\$501,282	\$481,685	4.07%
Mail Order Plan Paid	\$327,670	\$1,008,309	-67.50%
Specialty Plan Paid	\$1,293,911	\$1,462,452	-11.52%
Non-Specialty Plan Paid	\$2,387,775	\$3,221,108	-25.87%
Generic Plan Paid	\$639,163	\$1,225,444	-47.84%
Brand Plan Paid	\$3,042,522	\$3,458,116	-12.02%
Brand with Generic Plan Paid	\$375,137	\$678,212	-44.69%
Cost per Rx			
Average Gross Cost per Rx	\$135.21	\$172.34	-21.54%
Average Plan Paid per Rx	\$134.39	\$171.38	-21.58%
Average Member Cost per Rx	\$0.82	\$0.96	-14.18%

2 Year Comparison

Period over Period Plan Paid



Period over Period Utilizing Members

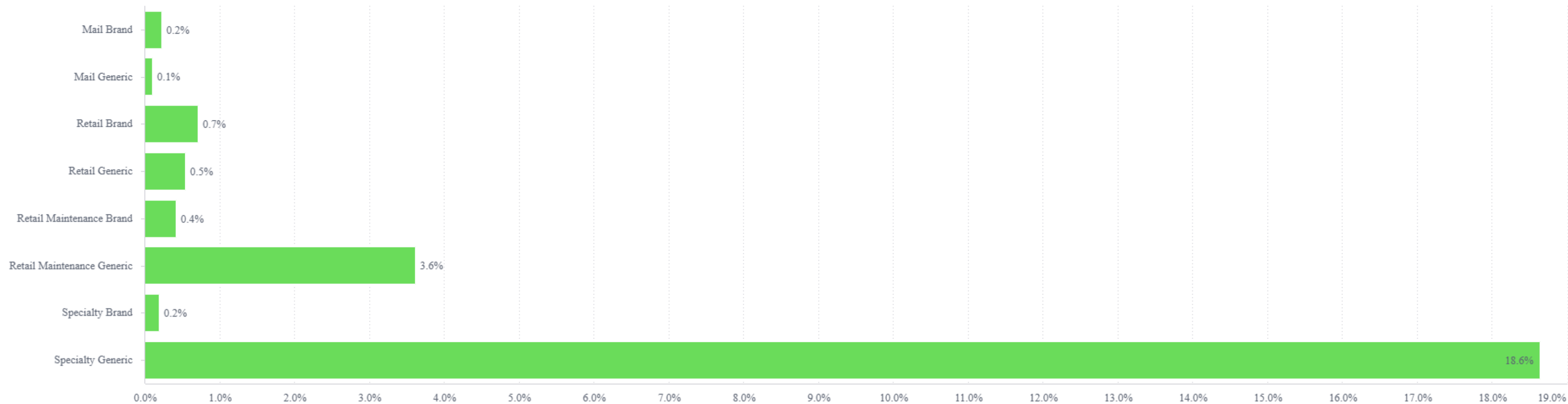


Discounts Achieved

Discount Guarantee Scorecard

Mail Order Indicator	Generic Indicator	Claim Count	Avg Fee	Guaranteed Fee	Fee Overage Shortfall	Discount Achieved	Guaranteed Discount	Dollar Variance	Discount % Overage/Shortfall
Mail Order	Brand	256	\$0.00	\$0.00	\$0.00	25.22%	25.00%	\$736	0.2%
	Generic	1,433	\$0.00	\$0.00	\$0.00	86.10%	86.00%	\$489	0.1%
Retail	Brand	3,071	\$0.90	\$0.90	\$0.00	18.71%	18.00%	\$9,464	0.7%
	Generic	15,474	\$0.90	\$0.90	\$0.00	80.79%	80.25%	\$10,697	0.5%
Retail 90	Brand	403	\$0.00	\$0.00	\$0.00	23.41%	23.00%	\$1,519	0.4%
	Generic	5,143	\$0.00	\$0.00	\$0.00	88.62%	85.00%	\$56,212	3.6%
Specialty	Brand	203	\$0.00	\$0.00	\$0.00	17.20%	17.00%	\$1,999	0.2%
	Generic	68	\$0.00	\$0.00	\$0.00	88.64%	70.00%	\$10,214	18.6%

Contractual Guarantees Overage or Shortage of Discounts by Channel & Drug Type

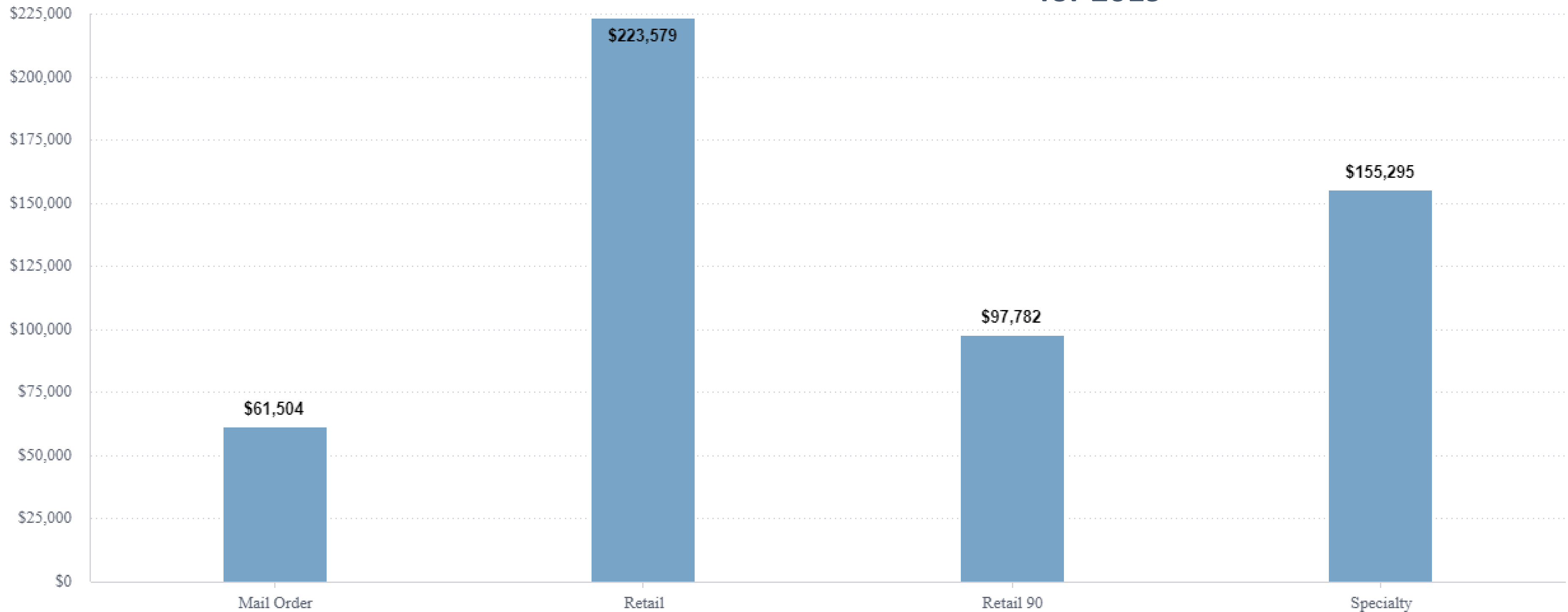


Projected Rebate Dollars

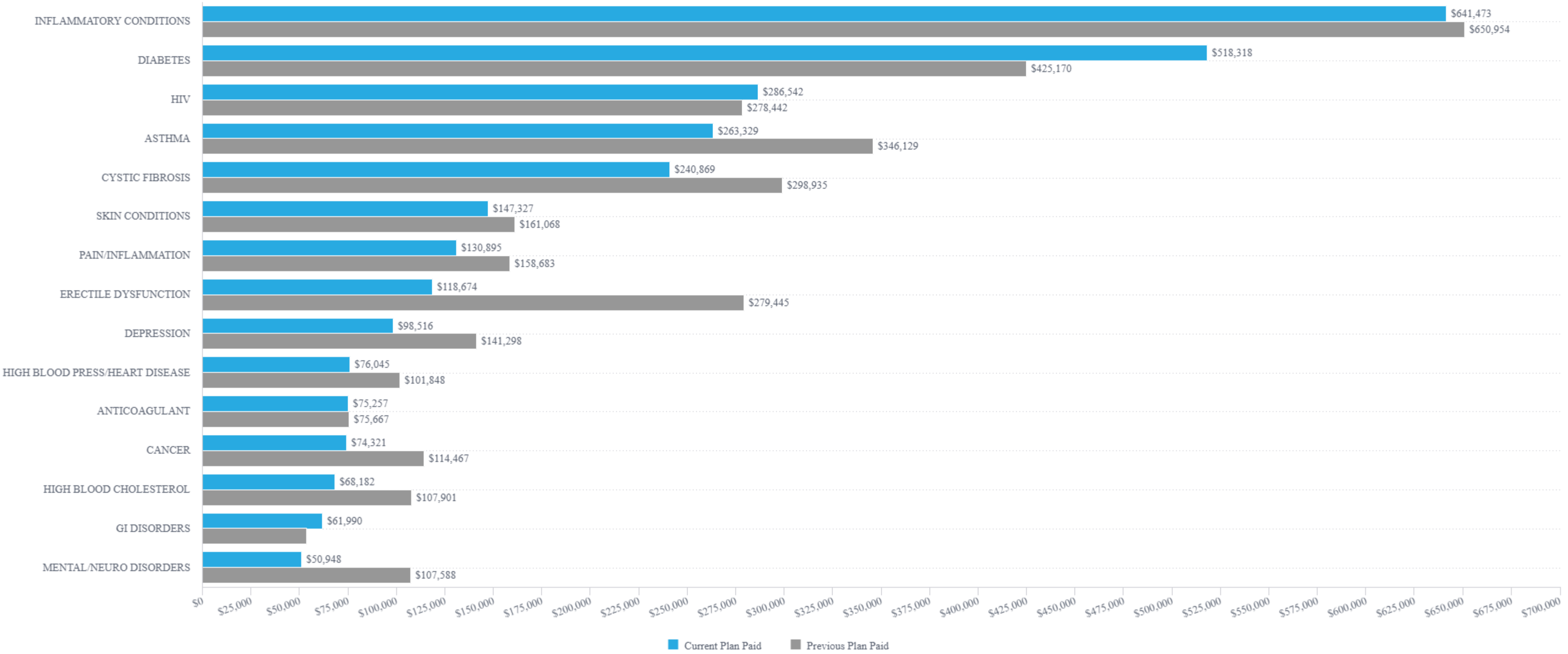
Projected Rebates
\$538,160
Claim Count **4,015**

PBM has paid \$547,917 in rebate payments for 2019

Minimum Guaranteed Rebate by Channel



Cost Drivers by Therapeutic Class



Top 20 Drugs by Cost (Non-Specialty)

Label Name	Generic Indicator	Most Common Indicator	Claim Count	Utilizing Members	Total Member Paid	Total Plan Paid	Avg Plan Pay Per Rx
BIKTARVY TAB	Brand	HIV	21	4	\$0	\$62,450	\$2,973.82
XIFAXAN TAB 550MG	Brand	GI DISORDERS	16	2	\$140	\$48,550	\$3,034.39
LANTUS INJ 100/ML	Brand	DIABETES	59	17	\$0	\$40,760	\$690.85
XARELTO TAB 20MG	Brand	ANTICOAGULANT	79	14	\$285	\$37,547	\$475.28
QVAR REDIHA AER 80MCG	Brand	ASTHMA	137	64	\$0	\$36,592	\$267.09
VIAGRA TAB 100MG	Brand	ERECTILE DYSFUNCTION	69	12	\$65	\$34,376	\$498.20
HUMALOG INJ 100/ML	Brand	DIABETES	42	9	\$0	\$33,861	\$806.21
HUMULIN N INJ U-100KWP	Brand	DIABETES	48	8	\$0	\$30,053	\$626.10
TADALAFIL TAB 20MG	Generic	ERECTILE DYSFUNCTION	151	32	\$33	\$29,161	\$193.12
JANUVIA TAB 100MG	Brand	DIABETES	56	9	\$80	\$27,927	\$498.69
ALVESCO AER 160MCG	Brand	ASTHMA	61	39	\$0	\$27,311	\$447.72
RESTASIS EMU 0.05%	Brand	OPHTHALMIC CONDITIONS	43	10	\$35	\$26,590	\$618.38
LIALDA TAB 1.2GM	Brand	INFLAMMATORY CONDITIONS	14	3	\$0	\$24,337	\$1,738.37
ALVESCO AER 80MCG	Brand	ASTHMA	59	39	\$0	\$23,651	\$400.87
ALBUTEROL AER HFA	Brand	ASTHMA	395	249	\$85	\$22,226	\$56.27
NOVOLOG INJ FLEXPEN	Brand	DIABETES	26	7	\$30	\$21,796	\$838.32
ONETOUCH TES ULTRA BL	Brand	DIAGNOSTIC AIDS	95	34	\$240	\$21,656	\$227.96
ONETOUCH TES VERIO	Brand	DIAGNOSTIC AIDS	234	75	\$10	\$21,523	\$91.98
HUMALOG KWIK INJ 100/ML	Brand	DIABETES	32	9	\$50	\$20,276	\$633.62

Non-Essential Drugs

Plan Paid for Non-Essential Drugs

\$45,845

Claim Count for Non-Essential Drugs **100**

Non-Essential Drug Program Implemented 1/1/2020

Label Name	Generic Indicator	Most Common Indicator	Prior Authorization Indicator	Claim Count	Utilizing Members	Total Member Paid	Total Plan Paid	Plan Pay Per Rx
DEXILANT CAP 60MG DR	Brand	HEARTBURN/ULCER DISEASE	No	21	6	\$0	\$11,340	\$540.01
JANUMET XR TAB 100-1000	Brand	DIABETES	No	9	1	\$0	\$8,000	\$888.86
SOOLANTRA CRE 1%	Brand	SKIN CONDITIONS	No	8	4	\$10	\$4,832	\$603.98
JANUMET TAB 50-1000	Brand	DIABETES	No	10	1	\$0	\$4,449	\$444.88
NEXIUM CAP 40MG	Brand	HEARTBURN/ULCER DISEASE	No	7	2	\$0	\$3,883	\$554.74
LORZONE TAB 375MG	Brand	MUSCLE RELAXANT	No	5	1	\$0	\$2,446	\$489.16
RHOFADE CRE 1%	Brand	SKIN CONDITIONS	No	3	1	\$0	\$1,538	\$512.71
TIROSINT CAP 25MCG	Brand	THYROID DISORDERS	No	4	1	\$40	\$1,343	\$335.83
EPIPEN-JR INJ 0.15MG	Brand	ANAPHYLAXIS	No	2	2	\$0	\$1,200	\$599.77
GRALISE TAB 600MG	Brand	PAIN/INFLAMMATION	No	2	1	\$0	\$1,103	\$551.56
GRALISE TAB 300MG	Brand	PAIN/INFLAMMATION	No	2	1	\$0	\$1,103	\$551.56
DENAVIR CRE 1%	Brand	SKIN INFECTIONS	No	1	1	\$10	\$790	\$789.90
FLUOXETINE TAB 20MG	Generic	DEPRESSION	No	9	4	\$60	\$704	\$78.25
OXICONAZOLE CRE NITRATE	Generic	SKIN INFECTIONS	No	2	2	\$0	\$676	\$338.24
CORDRAN 80X3 TAP 4MCG/CM	Brand	SKIN CONDITIONS	No	1	1	\$0	\$670	\$670.40
EPIPEN 2-PAK INJ 0.3MG	Brand	ANAPHYLAXIS	No	1	1	\$0	\$600	\$599.77
LASTACFT SOL 0.25%	Brand	OPHTHALMIC CONDITIONS	No	2	1	\$0	\$445	\$222.69
DICLEGIS TAB 10-10MG	Brand	NAUSEA/VOMITING	No	1	1	\$5	\$401	\$400.91
JANUMET XR TAB 50-1000	Brand	DIABETES	No	1	1	\$10	\$213	\$212.89
CYCLOBENZAPR TAB 7.5MG	Generic	MUSCLE RELAXANT	No	2	2	\$0	\$69	\$34.35

Recommendations

- **DAW 2 Penalty Recommendation –**
 - DAW 2 – Member requests the Brand Name Medication when there is a low cost Generic available
 - Penalty – Member pays the difference between the Brand and Generic in addition to their regular copay
 - DAW Penalties incentivize members to use the lower cost alternatives
 - If there is a medical necessity for the Brand, PBM will override the penalty
 - Member Impact: **64**
 - Estimated Savings: **\$141,119** (based on 1/1/19 – 12/31/19 data)
 - No Cost to implement
 - Proposed Effective Date: 1/1/2021
- **Viagra Strategy –**
 - **Overview:**
 - Develop strategies to get members to switch to the generic alternative with no DAW penalty or copay incentive
 - **Strategies:**
 - Letter Request - Advising of new generic available and potential cost savings
 - Excluding Brand Name Medication
 - **Impact:**
 - Members: **8**
 - Savings: **\$10,108**
- **1/1/2020 Plan Changes –**
 - Non-Essential Drug Program
 - Specialty 30 DS limit
 - New to Market List
 - Grandfathering PA extensions:
 - 12 utilizing members will be grandfathered through 12/31/2020
 - 209 non-utilizing members will be grandfathered through 6/30/2020
 - PBM to report on utilization at mid-year meeting and Board will decide on further extensions