

Lawley Proactive Health Captive
Annual Summer Meeting
June 11, 2019

### **About Arxcel**

#### **OUR GOAL**

Arxcel's goal is to help employers manage their prescription drug checkbook, ensuring spending is appropriate, effective and properly allocated, so that employers can offer their members the highest quality, most cost-effective benefits.

#### **OUR PHILOSOPHY**

Arxcel continues to be a guiding light through a complex and ever-changing pharmaceutical industry. We strive to provide employers with simplified solutions that protect their interests.

#### **OUR PROCESS**

Arxcel evaluates prescription benefit programs with an emphasis on eliminating waste and inefficiencies and thoroughly analyzes the intricacies of the contract to uncover savings. While cost-shifting is an easy approach. Arxcel looks for programs that allow for increased value and long-term clinical outcomes, both which provide positive outcomes for the payor and the patient. Our data reviews identify components of a program that are simple to eliminate, minimally disruptive



### **Captive RFP Process**

The Lawley Proactive Health Captive (LPH) desires to contract with an organization specializing in providing pharmacy benefit management programs. The organization must have prior experience directly related to the services requested in the RFP and must be able to demonstrate clearly their ability to:

- Offer state of the art prescription drug benefit management services
- Provide clinically and financially appropriate management programs that LPH's medical care management programs
- Provide transparency in contracting terms with drug manufacturers and pharmacy networks
- Provide competitive financial terms
- Provide excellent account management services to LPH, including timely reporting
- Provide reports and auditing facilities to validate all promises and guarantees
- Protect LPH's resources as though they are your own





#### **PBD Selection**

- Strong guaranteed discounts and manufacturer rebates
- Transparent cost model
  - Administrative fee
  - Specialty Copay Assistance Program PBD takes 10% of coupon savings as administrative fee
- Clinical edits with proven success for existing members
  - Physician outreach program
  - Step therapy, prior authorization, quantity limits in place on standard formulary to mitigate unnecessary high cost spend
- Successful specialty drug copay assistance program
- Trusted partner



- ✓ Monthly financial reporting against premium equivalents
- Quarterly utilization/trend review including top utilization and spend drivers
- ✓ Quarterly high cost claimants, generic dispensing rates
- ✓ Budget/premium equivalents calculations; pre renewal; annual actuarial sign off
- Preferred Market Deals financial, contract, terms, transparency
  - Annual reconciliation/review/validation
- Real time notification, high cost claimant analysis, alerts and clinical edits opportunity
- ✓ Real time, monthly network performance reconciliation guarantees vs effective rates; channel optimization
- ✓ Real time/ongoing benefit design efficiency analysis
- ✓ Clinical Support and Analysis

# LBG/Arxcel Service Model



### PBM's In the News

#### Pharmacy benefit managers could be in legislative crosshairs



Cigna to Buy Express Scripts in \$52 Billion Health Care Deal



Is Amazon getting into the pharmacy business?

> Rebates to pharmacy benefit managers are a hidden contributor to high drug prices

CVS Health, Aetna Shareholders Vote to Approve Merger

60 Minutes' Was Right About Huge Drug Prices, **But Wrong About The Villain** 

#### ANGRY OVER DRUG PRICES

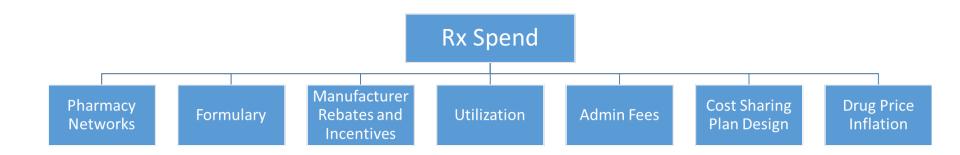
MORE STATES PUSH BILLS FOR **PHARMA** TO DISCLOSE COSTS

The Wall Street Journal

STAT News

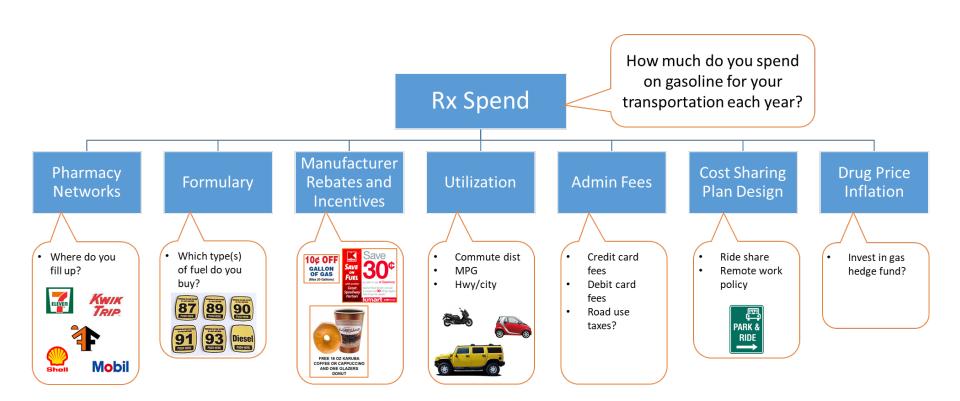


### **Components of a Pharmacy Benefit Spend**





### **Components of a Pharmacy Benefit Spend**





### All In and Simple

## Know where the money is going—don't pay more than you should.

Administrative Fee

MAC

Retail, Mail & Specialty Rebate

Retail Brand & Generic Discount



Specialty Brand & Generic Discount

Formulary Management

Clinical & Utilization Management Mail Brand & Generic Discount

- No hidden revenue streams
- No conflicts of interest or ties to big pharma
- 100 percent audit capabilities at the claim level



### **Questions?**

Arxcel's goal is to be more than a prescription benefits consultant. We strive to be a trusted confidant to those looking to navigate the complex world of prescription benefits coverage. As an independent partner, unbeholden to anyone in the prescription benefits food chain, our unique and unbiased perspective allows us to advocate solely on your behalf. Ensuring that the prescription benefits plan you select is the most comprehensive and cost-effective solution available to your company.



#### **IDENTIFY SAVINGS**

Arxcel identifies savings opportunities that help employers and TPAs reduce their prescription medication costs.



#### **NEGOTIATE CONTRACTS**

Arxcel negotiates competitive pharmacy benefit contracts on behalf of organizations.



#### **HELP DECISION-MAKERS**

Arxcel helps leaders make informed decisions about their pharmacy benefit program.



#### **SAVE TIME**

Arxcel helps organizations save time when developing pharmacy benefit programs and contracts.

### **Thank You**

### TO THE DATA!!

