



2019

BERKLEY CAPTIVE ANNUAL SUMMER MEETING

Aleem Merani | Pharmacist – Clinical and Account Management

Pharmacy Benefit Dimensions[®]
An Independent Health  company

Relationship with IH - Family of Companies



Pharmacy Benefit Dimensions®

An Independent Health company

EXPERIENCE

20 YEARS OF EXPERIENCE

500,000



MEMBERS LOCATED IN ALL 50 STATES

\$800 MILLION

MANAGED IN DRUG SPEND ANNUALLY



ALIGNED WITH A HIGH-PERFORMING HEALTH PLAN FOCUSED ON PATIENT OUTCOMES AND RISK MANAGEMENT



SERVICE

98%

CLIENT RETENTION



93%

CUSTOMER SATISFACTION*



#1 RANKED

PHARMACY HELP DESK*



64,000

CONTRACTED PHARMACIES ACROSS THE U.S.



OUTCOMES

0.4%

RX SPENDING TREND



5-STAR EGWP PDP PLAN**

\$6 MILLION

SPECIALTY DRUG SAVINGS THROUGH INNOVATIVE MANAGEMENT PROGRAMS

(2018 ESTIMATE)



* 2018 PHARMACY BENEFIT DIMENSIONS STAKEHOLDER SURVEY.

** THIS RATING APPLIES FOR THE 2019 PLAN YEAR. EVERY YEAR, MEDICARE EVALUATES PLANS BASED ON A 5-STAR RATING.







INNOVATIVE PROGRAMS

PBD's Formulary

- Formulary Development
 - The Pharmacy and Therapeutics Committee (P&T) is comprised of 19 participating physicians and pharmacists from the community
 - 10 specialists, 5 family practice physicians, and 4 pharmacists (3 CHS physicians)
 - P&T Committee reviews the formulary quarterly using evidence-based medicine
 - Every drug class is reviewed annually
- Formulary Model
 - Drug selection is based on five key factors:
 - ① **Clinical efficacy**
 - ② **Uniqueness or superiority in its Therapeutic Category**
 - ③ **Safety profile**
 - ④ **Pharmacoeconomics or cost effectiveness**
 - ⑤ **Compliance or ease of use**

Formulary and Utilization Management

- Right drugs. Right cost.
- Our formulary is **driven by value** not revenue

Value Formulary	vs.	Revenue/Rebate Formulary
 <p>Efficacy, safety and cost drive selection so members receive the right drug therapeutically at the right price.</p> <p>Rebates may not be as significant, but the overall plan spend will be lower.</p>	<p>Operating Philosophy</p>	<p>Expensive brand-name medications that offer sizeable rebates are given preference and volume is driven to those brands.</p> <p>Significant rebate revenue will be generated, but the overall plan spend will increase.</p> 
 <p>Emphasizes the use of lower cost, therapeutically equivalent generic medications.</p> <p>For example: omeprazole \$.20/tablet vs. Nexium \$7.84/capsule</p>	<p>Generic vs. Brand Name</p>	<p>Expensive brand-name medications are aggressively marketed but offer no additional clinical value in comparison to therapeutically equivalent generic medications.</p> 
 <p>Treatment starts with a lower cost medication, offering the same clinical benefit, and then “steps up” to a higher cost option if necessary.</p>	<p>Step Therapy</p>	<p>Treatment begins with a high-cost brand drug and “steps up” to a more costly brand medication.</p> 

A Tale of Two Formularies - Dymista®

PBD Formulary

- Non Formulary

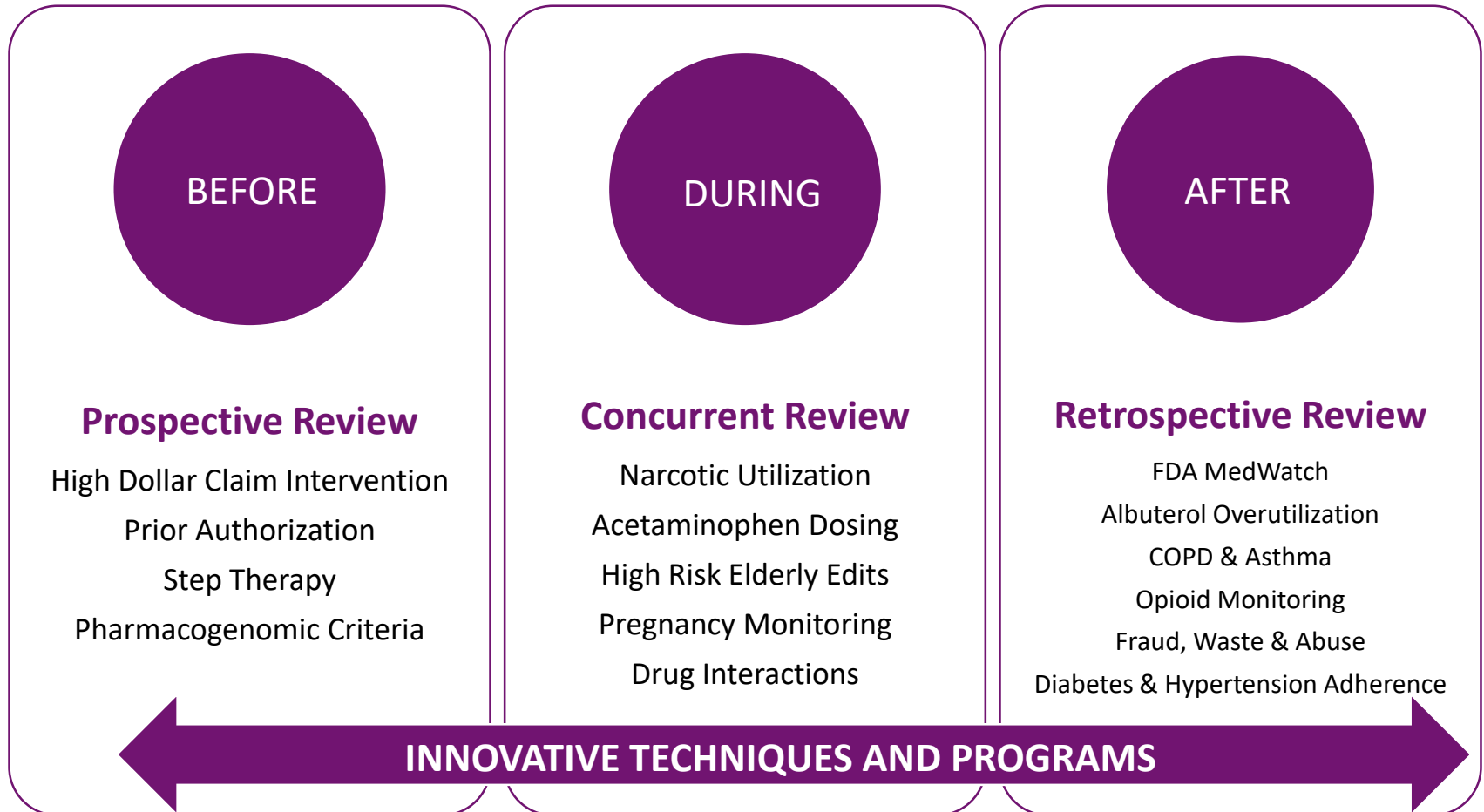
Rebate Driven Formulary

- PBM #1 – Tier 1
- PBM #2 – Tier 2

	Dymista®	fluticasone
Cost	\$225	\$8.96
Rebate	65%	0%
Net Cost	\$78.75	\$8.96

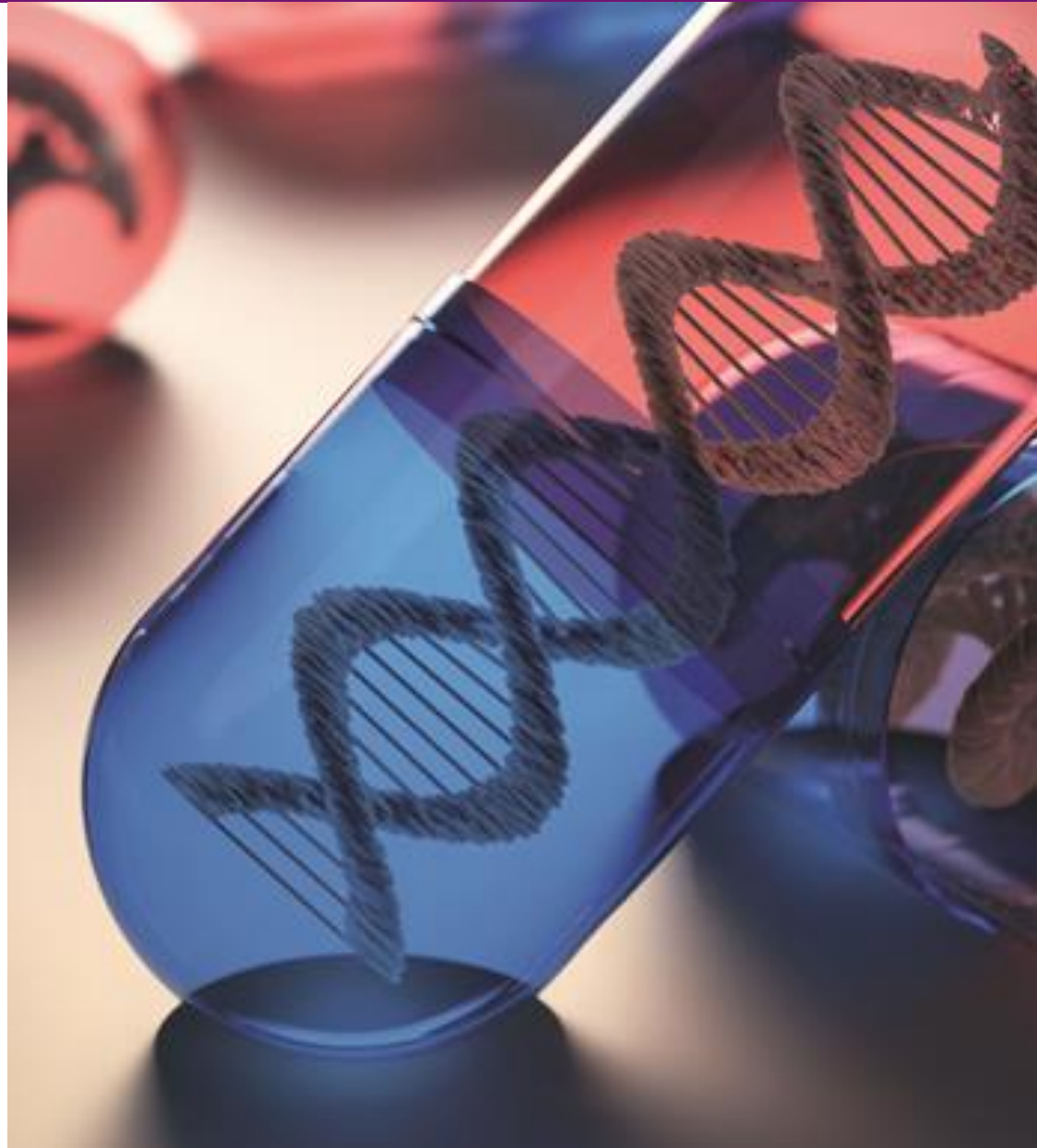
Net cost of fluticasone is **\$69.79/rx less**

Clinical Programs – We’ve Got the Prescription!



Genetic Testing

- Personalized medicine
- Built into our clinical criteria
- Examples
 - Oncology, HIV, cystic fibrosis, stroke and more
- Screen for genetic markers, mutations, specific genes
- Requirements for approval
 - Efficacy
 - Safety
 - Cost effectiveness



Value Based Contracting (VBC)

- Holding pharma accountable for patient outcomes
- Shift to VBCs as rebate reform occurs
 - Spring: 2
 - Fall: 4
 - Spring 2019: 7

Pharmacy

- Stiolto – 3Q18
- Repatha – 4Q18

Medical & Pharmacy

- Invokana – 3Q18
- Jardiance – 4Q18
- Lokelma – 1Q19
- Onpattro – 1Q19
- Luxturna – 2Q19



Diabetes Program

- **NEW Provider Collaboration**
 - Managing utilization through community efforts
 - Building relationships with the community
- **Goals**
 - Maximizing oral generic utilization to drive down costs
 - Metformin
 - Pioglitazone
 - Glimepiride
 - Provider education and incentive programs
 - Providers, mid-levels (NP, PA), and office managers
 - Member Education
 - Brook App, diabetes education classes, member mailings and more



Eye Care Program

- **Avastin Initiative**
 - THREE treatments for macular degeneration
 - Lucentis® = \$2000/dose
 - Eylea® = \$2000/dose
 - **Avastin® = \$60/dose**
- **Goals**
 - Reduce cost of care of macular degeneration
 - Educate and encourage network providers to utilize Avastin® first
 - Encourage prescribing patterns and habits to match those of region
- **Outcomes**
 - \$2M in savings

Enhanced Opioid Program

- Active opioid monitoring program in place to reduce overutilization, abuse, and inappropriate prescribing practices while ensuring safe and effective use
- Prescriber outreach and education regarding safety issues and recommendations to mitigate adverse outcomes
- Deeply integrated with utilization management programs including quantity limits, duplication limits, blocking early refills, and more
- **18% ↓** in opioid utilization by 2018

7 Day Initial Supply Limit

Ensures safety/efficacy and prevents waste

Morphine Equivalent Dose Limits

Appropriate prescribing habits and safe medication practice

Opioid Safety Edits

Ensures opioid naïve patients cannot fill potent/strong opioids without prior opioid history e.g. fentanyl without prior history

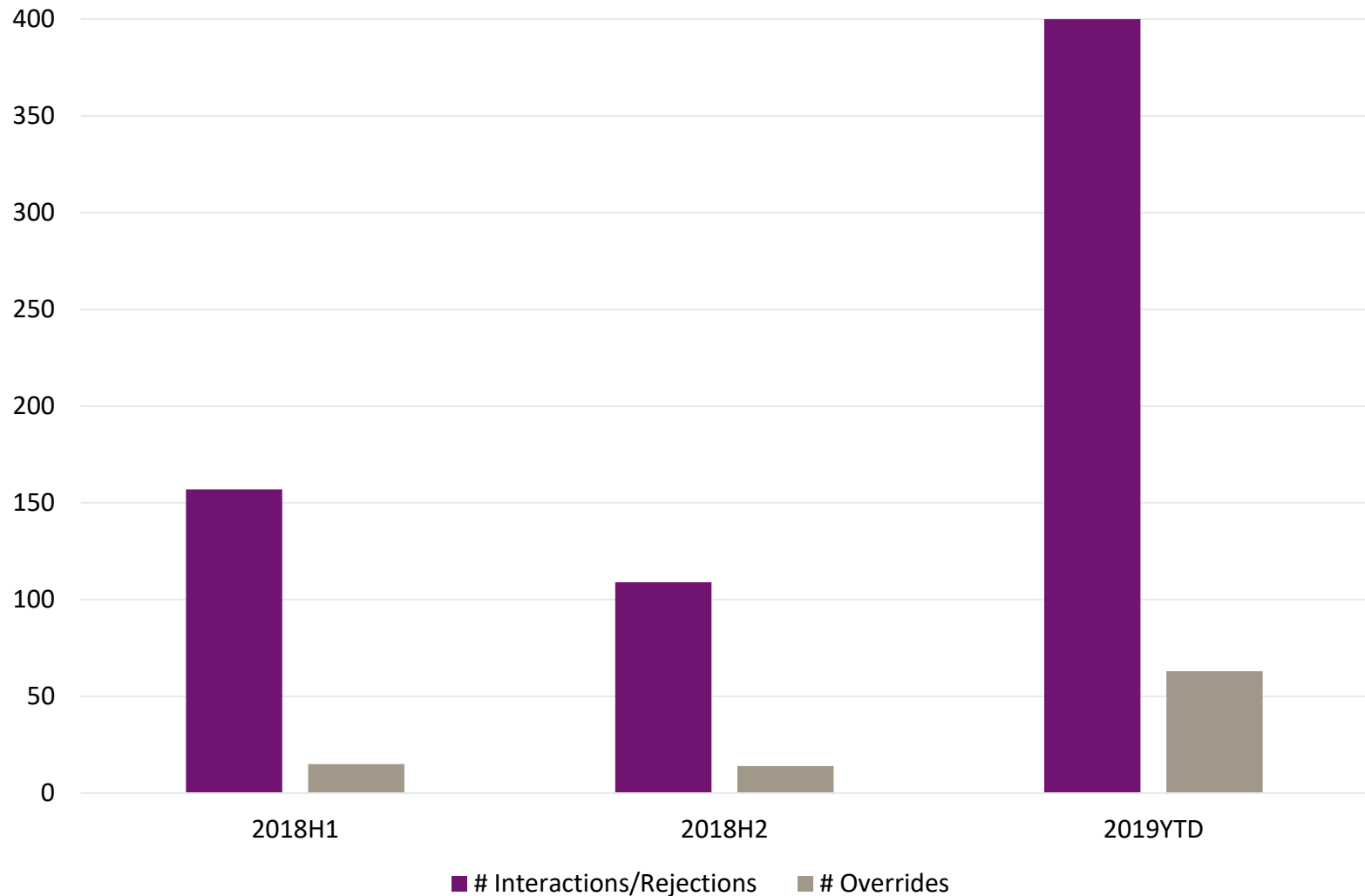
Similar Drug Filled

Prevents duplication, pharmacy shopping, overutilization etc.

Medication Ladder Therapy

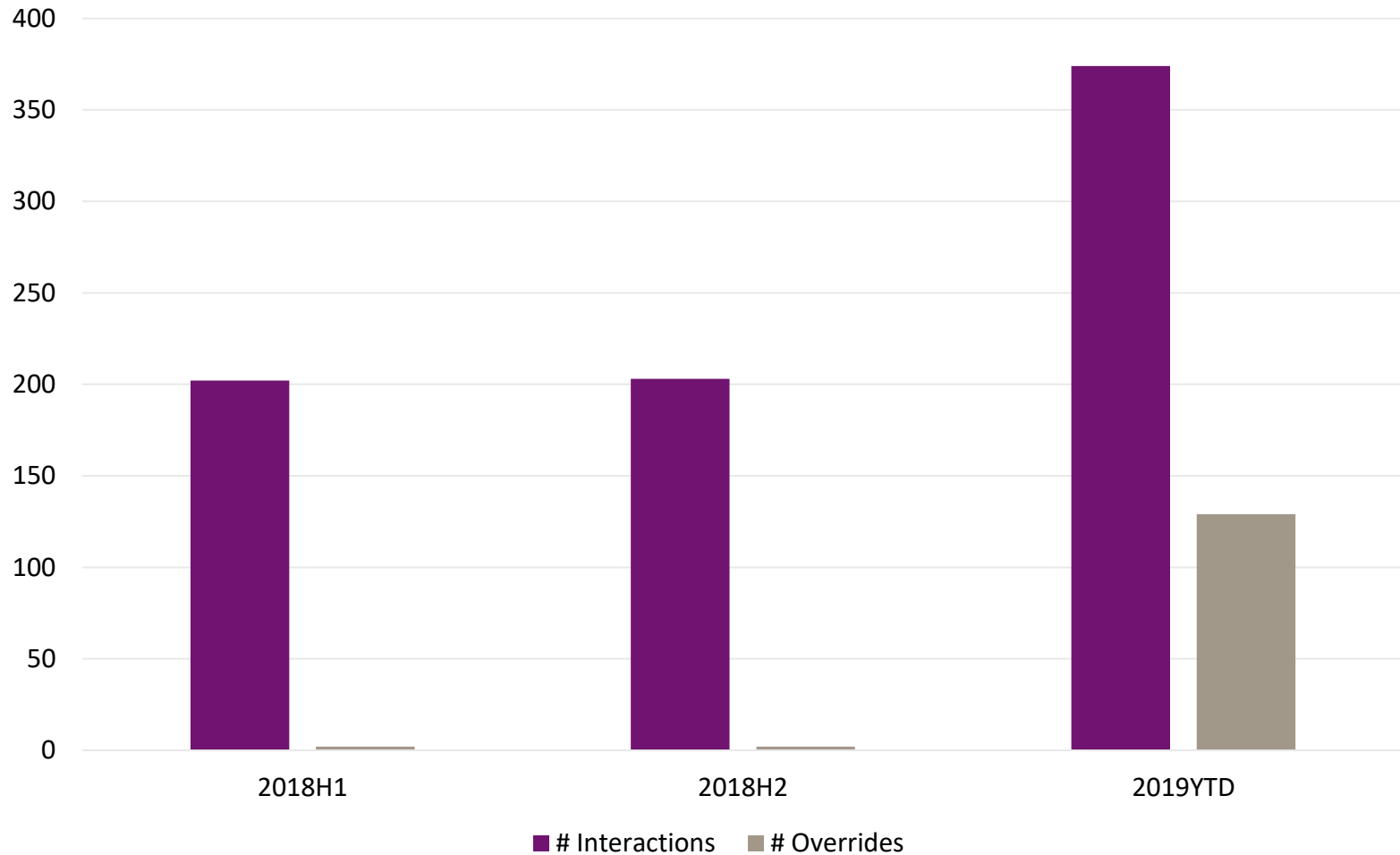
Minimizes adverse events and costs while providers transition members through different therapies

Opioid Safety Edits Captives



Pregnancy Safety Edits Captives

Blocked Category X and D Drugs in Women Using Prenatal Vitamins



RELI-Rx Specialty Clinical Programs

- Specialty drugs are the fastest growing sector of pharmacy expense. It is expected to represent over 50% of all pharmacy costs by 2020. **Pharmacy Benefit Dimensions** and **Reliance Rx** are striving to improve patient care and drive a positive outcome, while containing Rx costs through **RELI-Rx**, an integrated specialty clinical management program.

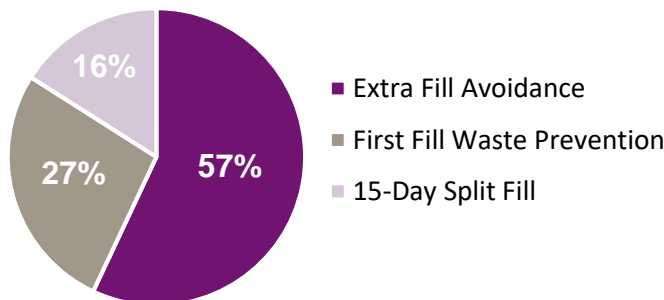
RELI-Rx Management Programs:

- RELI-MODIFY
- RELI-HEP
- RELI-MS
- RELI-Asthma
- RELI-ONC
- RELI-PH
- RELI-HIV
- RELI-Adhere

RELI-Adhere Patient Management Program:

- RELI-Adhere** is an advanced clinical program led by Reliance Rx's Certified Pharmacist and RN Team to increase adherence rates, improve health outcomes and reduce healthcare costs. Clinical interventions will include adherence monitoring, extra fill avoidance, 15-day split fill and first fill waste prevention.

Percentage of Successful Cost Savings Interventions in 2018



2018 Average Cost Savings

\$3,947.57
per successful clinical interaction

BY THE NUMBERS

Per Member Per Month Costs (PMPM)

- 83% of Captive clients **outperform** PBD's benchmark
- What is driving the performance?
 - Value-based formulary design
 - Effective Utilization Management (UM)
 - Prior Authorization
 - Step Therapy
 - Quantity Limits
 - MDDs

LPHC PMPM Outperforms Benchmark



Utilization Management

Step Therapy \$158,609	MD Specialty \$18,098
Prior Authorization \$877,083	
Max Quantity \$15,249	Max Daily Dose \$41,773

Moving Forward

- Annual clinicals completed
- Data collection, continued evaluation, clinical oversight, and new recommendations
- Data Sharing
 - Xevant, LBS, DGB, Cotiviti and more
- Biosimilars update
- Rebates



FDA Approved Biosimilars

Biosimilar name	Scientific name	Approval date	Reference product	Type of Product
2015				
• Zarxio	filgrastim-sndz	March 2015	Neupogen	Provider-administered
2016				
• Amjevita ¹	adalimumab-atto	September 2016	Humira	Patient-administered
• Inflectra	Infliximab-dyyb	April 2016	Remicade	Provider-administered
• Erelzi	etanercept-szsz	August 2016	Enbrel	Patient-administered
2017				
• Cyltezo	adalimumab-adbm	August 2017	Humira	Patient-administered
• Ixifi	infliximab-qbtx	December 2017	Remicade	Provider-administered
• Mvasi	bevacizumab-awwb	September 2017	Avastin	Provider-administered
• Ogivri	trastuzumab-dkst	December 2017	Herceptin	Provider-administered
• Renflexis	Infliximab-abda	May 2017	Remicade	Provider-administered
2018				
• Hyrimoz ²	adalimumab-adaz	October 2018	Humira	Patient-administered
• Fulphila	pegfilgrastim-jmdb	June 2018	Neulasta	Provider-administered
• Herzuma	trastuzumab-pkrb	December 2018	Herceptin	Provider-administered
• Nivestym	filgrastim-aafi	July 2018	Neupogen	Provider-administered
• Retacrit	epoetin alfa-epbx	May 2018	Epogen	Provider-administered
• Truxima	rituximab-abbs	November 2018	Rituxan	Provider-administered
• Udenyca	pegfilgrastim-cbqv	November 2018	Neulasta	Provider-administered
2019²				
• Ontruzant	trastuzumab-dttb	January 2019	Herceptin	Provider-administered

1. In 2017, AbbVie and Amgen announced a settlement that will permit Amjevita to launch in the United States on January 31, 2023.

2. In 2018, AbbVie and Sandoz announced a settlement that will permit Hyrimoz to launch in the United States on September 30, 2023.

Source: Drug Channels Institute research. Table shows products approved as of January 31, 2019.

Pharmacy Benefit Dimensions®
An Independent Health company

Pharmacy Benefit Dimensions®

Invitation is Open

Come visit us at our headquarters in
Buffalo, New York

APPENDIX

CASE STUDIES

Case Study

Meet Steve Stingray

- **Condition:** Acid reflux
- Member has been experiencing a burning sensation in his neck and throat that lasts several hours, typically after eating spicy foods a couple times per week. As his condition continued with no relief from antacids or H2RAs, his doctor prescribed Zegerid®. However, his condition can be adequately treated with other generic prescription proton-pump inhibitors (PPIs).
- **First-Line Therapies for Acid Reflux:**
 - **Antacid**
 - Tums®(calcium carbonate)
 - **Histamine receptor antagonist (H2RA)**
 - Ranitidine, famotidine and more
 - **Proton-Pump Inhibitor (PPI)**
 - **Pantoprazole**, omeprazole, and more
- **Cost Containment (AWP):**
 - \$5 vs. \$2,358 per month | **\$28,240 per year**



Case Study

Meet Carly Crab

- **Condition:** Allergic Rhinitis (Seasonal Allergies)
- Member has been experiencing itchy eyes, sneezing, and runny nose since the spring. As her allergies continued without any relief from oral antihistamines, her doctor prescribed Dymista®. However, her seasonal condition can be adequately treated with other nasal steroid products.
- **First-Line Therapies for Allergic Rhinitis:**
 - **Antihistamines**
 - Cetirizine, loratadine and more
 - **Decongestants**
 - Sudafed®(pseudoephedrine), others
 - **Nasal Corticosteroids**
 - **Fluticasone**, mometasone and more
- **Cost Containment (AWP):**
 - \$12 vs. \$176 per month | **\$2,115 per year**



Specialty Case Study

Meet Taylor and Tina Turtle

- **Condition:**
 - Multiple Sclerosis (MS)
- **Opportunity:**
 - Members were prescribed Gilenya® for Multiple Sclerosis
 - It *appeared* that the members were chronically late on their refills by ~30 days and suffered a low adherence rate (MPR) near 50%
- **Intervention**
 - Reliance Rx initiated outreach to member and provider
 - It was discovered that both **members were using the medication differently** than what was prescribed as their specialists updated their instructions from once daily to once every other day
 - Obtained new prescription from MD and filled appropriately with most updated prescription
- **Outcome**
 - 5 unnecessary fills prevented
 - Cost avoidance (AWP): **\$45,000**



Specialty Case Study

Meet Manny Manatee

- **Condition:**
 - Psoriatic Arthritis (PsA)
- **Opportunity:**
 - Member was prescribed Cosentyx® but, was having difficulty remaining adherent to therapy indicated by several late refills
 - Patient experienced subsequent increase in disease burden including return of plaques and severe joint pain
- **Intervention:**
 - Reliance's nurse case manager initiated outreach through RELI-Adhere program and patient was recaptured to therapy
 - Patient switched from Cosentyx® injection to oral Otezla® for improved adherence
- **Outcome**
 - Improved adherence to therapy
 - Anticipated reduction in disease burden and risk of relapse, exacerbation, and hospitalization

