



Reducing Pharmacy Spend for a Large Health System

A large health system in the Southeastern United States has served its community for nearly 100 years. Over that time, it has grown to encompass four hospitals as well as a retirement facility and a full range of support services. The health system has more than 11,000 employees and dependents under their pharmacy benefit plan. Facing an unexpected increase in specialty drug utilization, it needed a fresh approach to rein in spending and optimize its clinical management program. Through RxBenefits' tailored solution, the health system achieved \$1.9 million in estimated annualized savings.

The Challenge

With specialty drug utilization increasing, the health system faced escalating spend on high-cost specialty medications. It had an annual pharmacy plan cost of \$19.5M and an average per member per month (PMPM) cost of \$144.48 in 2018. It needed a pharmacy partner with the flexibility to optimize plan design and formulary alignment, and manage specialty spend sustainably while maintaining access for its members. Most importantly, the health system needed a solution that would cause minimal member disruption.

\$19.5M

Annual Plan Spend



The Solution

RxBenefits conducted a Comprehensive Pharmacy Analysis of the health system's claims data and pinpointed the plan's major trend drivers. The pharmacy plan was spending more than necessary on high-cost, low clinical value medications. And the absence of an effective manufacturer coupon program prevented the health system from maximizing saving opportunities that could help them reduce specialty drug costs across multiple disease states.

RxBenefits implemented a tailored clinical management solution to address the health system's risk areas. The solution included three components of our tailored Clinical Advantage Program (CAP), with the goal of delivering the greatest savings with the lowest member impact.

Formulary optimization with low clinical value drug exclusions –

Preventing unnecessary drug spend by removing non-essential, high-cost, low clinical value drugs from the formulary.

RxBenefits' clinical team continually monitored drugs in the market and updated the low clinical value drug list throughout the year, which resulted in additional value for the health system.

High-dollar claim review –

Providing umbrella protection by guarding against unnecessary spending on high-cost brand and specialty medications. *RxBenefits' clinical team provided additional oversight for high-cost prescription drug claims. The health system gained insight into the specific drugs contributing to its monthly plan cost PMPM and was able to limit its exposure to unnecessary spending on medications that had clinically appropriate, lower cost alternatives.*

Manufacturer assistance program for specialty medications –

Enabling the health system to maximize the available assistance funds and offset costs while protecting its plan design.

RxBenefits tracked each member's true out-of-pocket expenses while applying manufacturer dollars to help reduce both the plan's and members' costs.



Overall Optimization Results

RxBenefits delivered significant results for the health system. Through CAP, it lowered its annual pharmacy spend and reduced its specialty drug spend. The health system was able to optimize its prescription drug program through increased clinical visibility and limited exposure to unnecessary spending.

\$14.17 PMPM, reduced plan cost over 9 months

\$1.5M projected plan savings due to low clinical value drug exclusions from 2018-2019

\$805K projected plan savings on specialty medications due to manufacturer copay assistance

\$510K projected plan savings from non-specialty high dollar claim reviews

\$1.9M Estimated Annualized Savings



Are you paying too much for your pharmacy benefits?
To learn how we can help you lower costs and improve care, contact your local business development executive.

800.377.1614 | [RxBenefits.com](https://www.RxBenefits.com)