

Employer Forum on Pharmacy Benefits & Specialty Drugs:

Finding the Truth in Vendor Transparency, Rebates, Contracting & Premium Relief to Stay in the Game

June 29, 2016





Please silence your devices



- IPhone
- Droids
- IPods
- Notes/ Tablets
- Other noise making devices or colleagues



Those on the webinar...

Remember, your phone is an open microphone

Please place your phone on MUTE - not HOLD during the program

- Let us know if you can't hear the speakers
- Use the chat function to share questions or comments

MBGH – The source for leading health benefit professionals



- Founded in 1980 as a 501(c) (3) not-for-profit coalition
- Over 130 large self-insured public and private organizations
- Members annually spend more than \$4 billion on health care for over 4 million lives
- Represent the employer purchaser perspective *human resources and health benefits professionals* offering:
 - Education, networking and benchmarking
 - Health benefits research, tools and demonstration pilots
 - Community-based initiatives on health improvement, patient safety and quality outcomes
 - Buyers groups and health benefits service offerings
- Member of the National Business Coalition on Health (NBCH)

MBGH Members

DOVER CORPORATION



Genentech



Humana

TRUST

The Joint Commission

2016 Upcoming Events Register at <u>www.mbgh.org</u>



July 14 — Webinar: *Understanding & Complying with the Final EEOC Rules on Wellness*

July 20 – The Changing National & Chicago Health Care Markets: Leading Strategies to Support Employers

July 26 – Employer-Only Webinar: Getting Consumer Reports Materials & a Choosing Wisely Website for Your Company

August 18 – Pain Management: The New "Big Deal" for Employers September 8 – NAWHC Annual Forum: Measuring & Expanding the Performance of Onsite Clinics

September 15 – Webinar: *Using New Payment Approaches to Obtain Quality Health Care*

September 21 – All Member Meeting & Summer Event

October 5 – Employer Forum on Managing Diabetes and Obesity

2016 Upcoming Events *Register at www.mbgh.org*



Save the Date!

37th Annual Conference

May 10 & 11, 2017



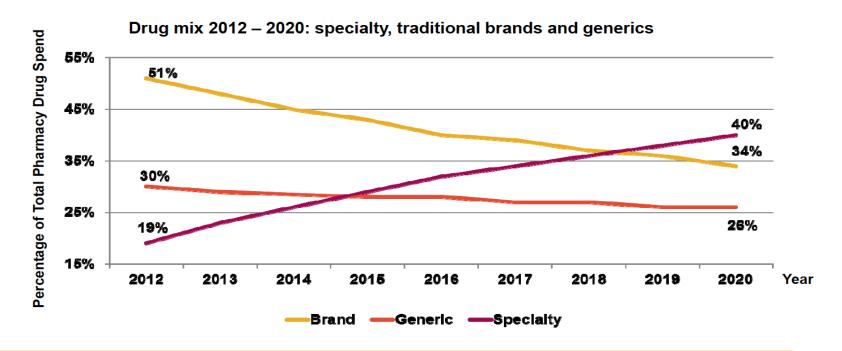
Employers & Pharmacy Benefits Management

Why is MBGH in this area?

- MBGH

 Midwest Business Group on Health
 The Source for Leading Health Benefits Professionals
- -It's an increasing portion of total benefit spend
- A comprehensive approach is needed to be effective

Managing market dynamics and drug mix changes



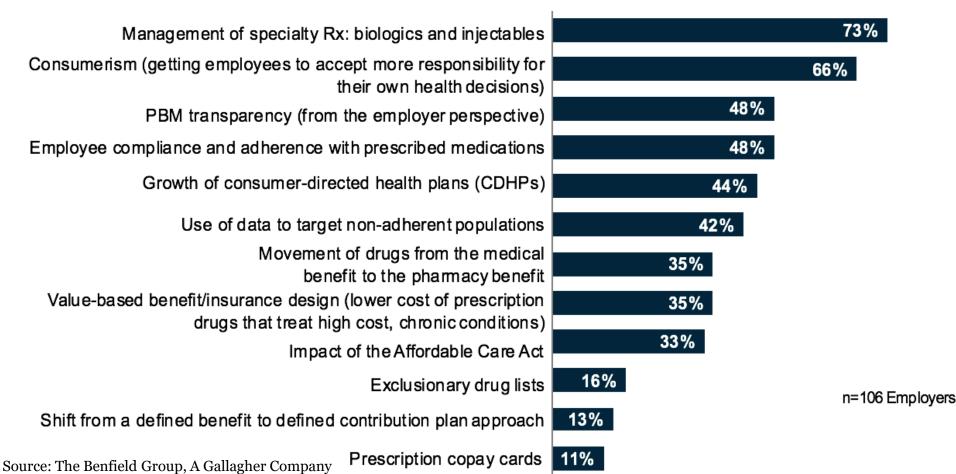
Employer spend on specialty drugs is expected to double in the next 5 years





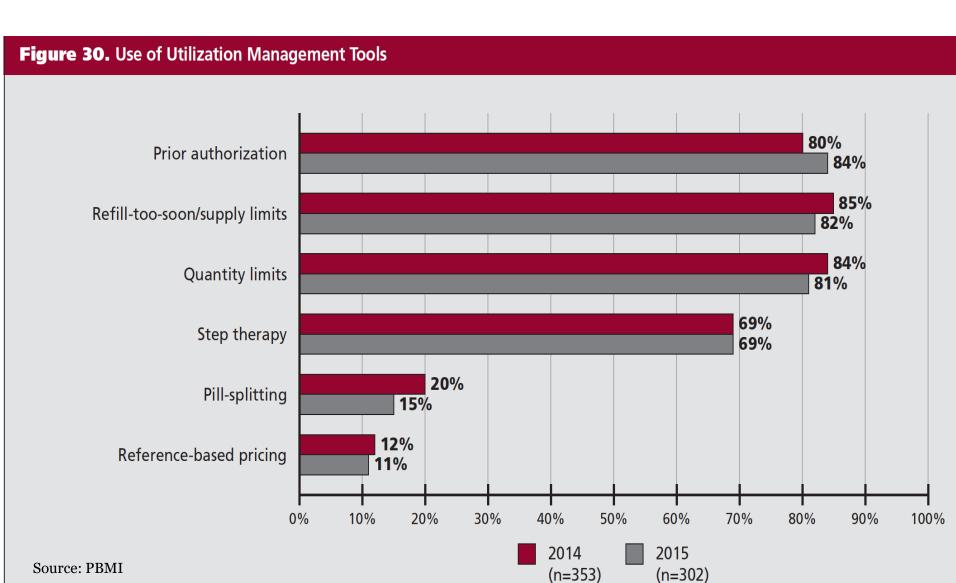
Importance of Trends Impacting Pharmacy Benefit Management

(percentage rating highly important)





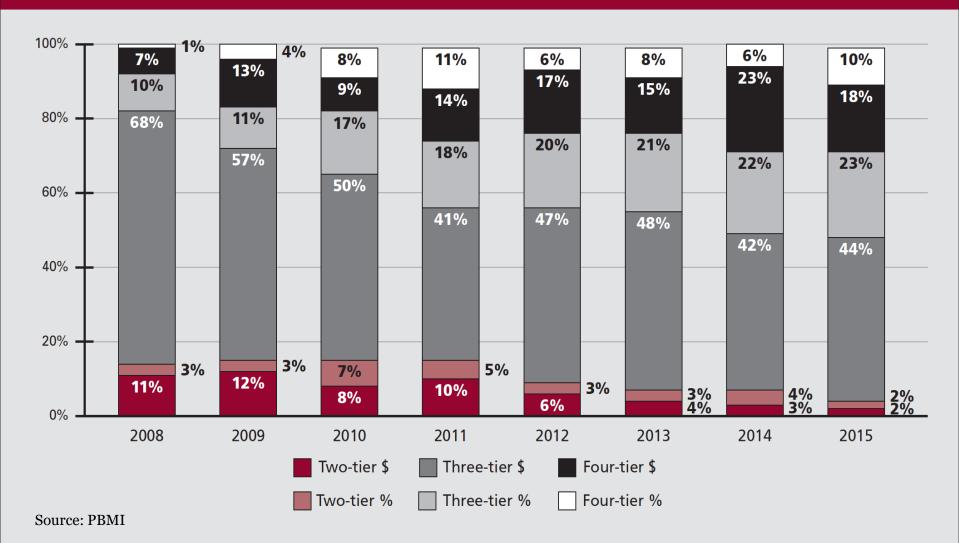
Use of Utilization Review





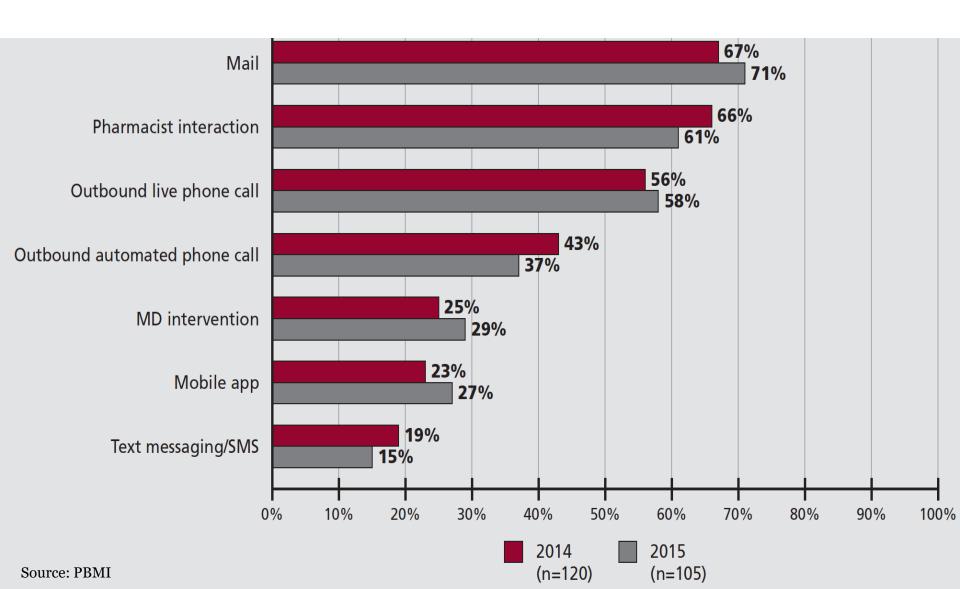
Trends in Employer Cost-Sharing







Types and Use of Adherence Programs



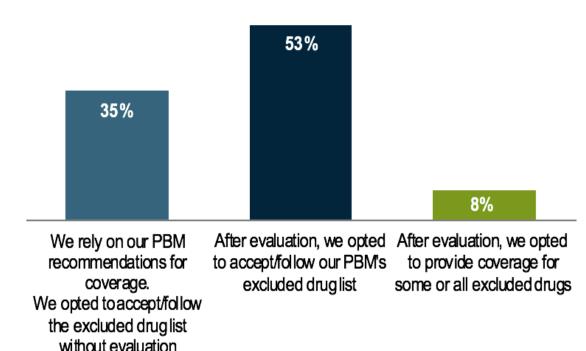
PBM Exclusion Lists & Employer Responses



Number of 2016 Medication Exclusions by PBM/Health Plan

CVS Caremark	124
Aetna	99
Express Scripts	80
OptumRx	79
Cigna	78

Employer's Approach to the Coverage of Drugs on their PBM or Health Plan's Exclusion List

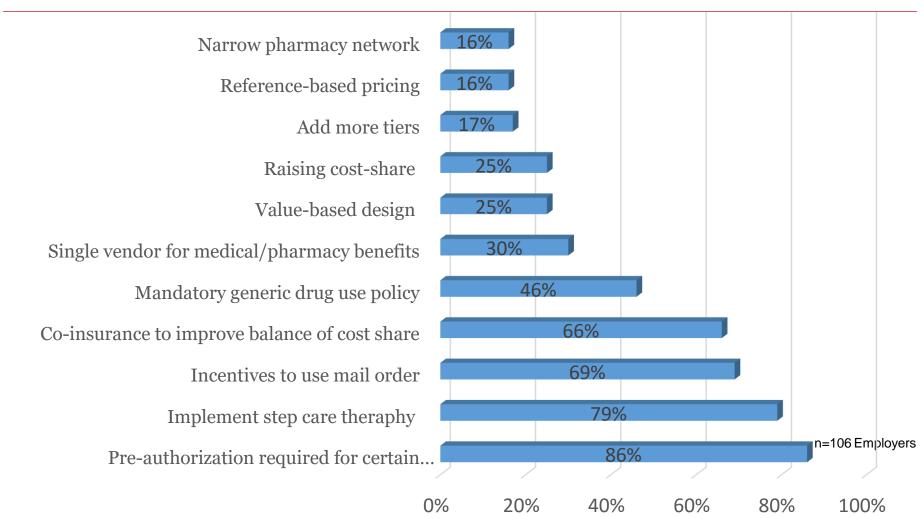


Not shown: 4% Don't know n=96 Employers

Walking the talk:

Use of pharmacy cost management strategies





Source: The Benfield Group, A Gallagher Company



To be effective you need to set your objectives and expectations

- Medications in formulary need to be effective, improve outcomes, reduce costs and return patients to work quickly
- Physicians need to be encouraged to select medications that are costeffective and within benefit plan
- Access to drugs and retail pharmacies should be appropriate, but need not be excessive
- Patient adherence and compliance with their drugs needs to be monitored, encouraged and supported
- Appropriate use of the pharmacy benefit is needed to avoid waste, ineffective drug use and fraud
- Your health plan or pharmacy benefit manager needs to knows the expectations of employer, and be proactive in identifying areas for savings and improved outcomes



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