



Rx Defender

The “Dumb Drug” Tool (Gloria Version)

Employers’ Forum of Indiana 1/10/2018

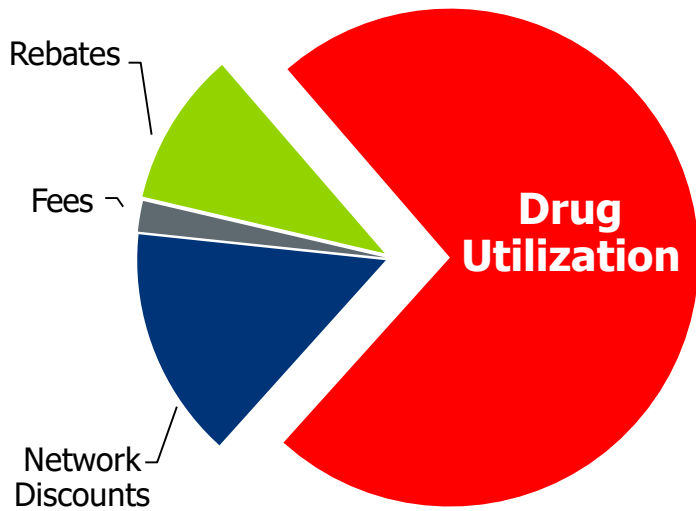
Jeff Post, R.Ph.
Chief Clinical Officer

PBM Concerns

What keeps you up at night?

1. High Drug Prices
2. Conflict of Interest (PBM Profit vs. Plan Trend)
3. PBM Transparency
4. PBM is a “PDM” Pharmacy Distribution Manager
5. Gross to Net Cost Gap due to Rebates (HDHP)
6. Clinical Rules Tied to Rebates
7. Pharmacy and Medical Specialty Drugs
8. Gene Therapy Advances
9. **Non-Essential Medications = Waste**

What should we FOCUS on?



Drug Utilization Drives Plan Cost...

Appropriate Drug Utilization Drives Plan Value

***PBM exclusions prioritize Rebate**

What is Non-Essential?

Definition:

Not Essential, Not Necessary

PBM Related Version:

Me Too, Egregious, Gratuitous, Uncalled-For, Unwarranted, Inappropriate, Gimmick, DUMB

Jeff: Medications with no essential clinical need or unique use when compared to more cost effective available alternatives.

What is Non-Essential?

- 1) Patent Extenders (Nexium/Dexilant, ER/XR)
 - * Revenue Loss/Rebate Pressure
 - 2) Brands with a Generic (Lipitor/Crestor, Wellbutrin)
 - 3) New Delivery/Version (Glumetza, Pennsaid)
 - 4) New Combinations (Duexis, Yosprala/Durlaza)
 - 5) Overpriced Generic (Metformin OSM, Omeprazole Bicarb)
 - 6) Compound Pharmacy Mitigation (Diclofenac, Lidocaine)
 - 7) Dermatology Oral (Absorica, Solodyne)
 - 8) Dermatology Topical (Onexton, Alpawash)
 - 9) FDA Not Approved (Donnatal, Librax)
- * Aggressive marketing, cold calling, pharmacy partners, and coupons, coupons, coupons.

Why Worry about Non-Essential?



DUEXIS[®]
(ibuprofen and famotidine) Tablets
800 mg/26.6 mg

2016 Annual Usage

- \$1,600 Per Script
- Replace with Ibuprofen/Pepcid \$30



2016 Annual Usage

- \$1,800 Per Script
- Generic Naproxen/Prilosec \$30

Sample client with a Union spend \$450,000 on these 2 drugs alone. Requires EDUCATION!

Sample Diagnostic

- Report summary of impacted claims and savings opportunity
- Savings avg. range avg. 2%-7% of plan cost
- Currently targeting 350 medications, 2,000+ NDCs

Rx Defender	
Savings Estimate - Client	
Non-Essential Drugs	
Claims Impacted	392
Current Plan Cost	\$424,343
Estimated Plan Cost	\$84,869
Savings / Rx	\$987
Member Paid	\$23,644
Total Savings	\$339,474

Rx Connection's cost estimates are based on Client claims data from 6/1/2016 through 5/31/2017 (~1,000 EE, 2,200 Lives)

Sample Diagnostic

Rx Defender

Medication Crosswalk Comparison (Top 12)

	Claims	Plan Cost	Cost/Rx	Total Savings	Drug name	Alternative	Alternative Cost/Rx	Savings / Rx
1	13	\$14,997	\$1,154	\$11,997	METFORMIN ER OSM-TAB	METFORMIN ER TAB	\$20	\$1,134
2	47	\$13,821	\$294	\$11,057	DEXILANT	OMEPRAZOLE/OTC NEXIUM	\$20	\$274
3	21	\$11,538	\$549	\$9,230	DICLOFENAC GEL 3%	DICLOFENAC ORAL OR VOLTAREN GEL	\$80	\$469
4	20	\$10,282	\$514	\$8,226	LIDOCAINE	LIDOCAINE PATCH	\$100	\$414
5	6	\$9,242	\$1,540	\$7,394	DUEXIS 800-26.6 MG TABLET	IBUPROFEN/PEPCID OTC	\$30	\$1,510
6	8	\$8,047	\$1,006	\$6,437	FLUOCINONIDE	BETAMETHASON OR CLOBETASOL	\$80	\$926
7	37	\$8,035	\$217	\$6,428	ESOMEPRAZOLE	OMEPRAZOLE/OTC NEXIUM	\$40	\$177
8	10	\$7,628	\$763	\$6,102	DICLOFENAC SODIUM	DICLOFENAC ORAL OR VOLTAREN GEL	\$80	\$683
9	4	\$6,889	\$1,722	\$5,511	PENNSAID	DICLOFENAC ORAL OR VOLTAREN GEL	\$50	\$1,672
10	6	\$4,555	\$759	\$3,644	ACTICLATE TAB 150MG	DOXYCYCLINE	\$60	\$699
11	3	\$4,048	\$1,349	\$3,239	LIVIXIL PAK	LIDOCAINE PATCH	\$100	\$1,249
12	6	\$3,260	\$543	\$2,608	ORACEA CAP	DOXYCYCLINE	\$60	\$483

	CRITICAL
	Generic
	Preferred

Sample Diagnostic

Rx Defender

Medication Crosswalk Comparison (Top 10)

UNION RECOMMENDATION

	Claims	Plan Cost	Plan Cost/ Rx	Drug name	Alternative	Alternative Cost/Rx	Savings / Rx	Savings Opportunity	Patient Disruptiion	Savings / Pt Disruption
1	139	\$242,241	\$1,793	VIMOVO	NAPROXEN / OMEPRAZOLE	\$25	\$1,768	\$238,766.00	19	\$12,567
2	134	\$209,249	\$1,592	DUEXIS	IBUPROFEN / FAMOTIDINE	\$20	\$1,572	\$206,569.00	24	\$8,607
3	56	\$122,314	\$2,184	DICLOFENAC GEL 3%	VOLTAREN GEL	\$80	\$2,104	\$117,834.00	19	\$6,202
4	160	\$105,883	\$662	METFORMIN ER OSM	METFORMIN ER	\$20	\$642	\$102,683.00	32	\$3,209
5	24	\$98,549	\$4,106	EVZIO	NALOXONE INJ	\$60	\$4,046	\$97,109.00	23	\$4,222
6	13	\$64,100	\$4,931	DERMACIN	TRIAMCINOLONE CREAM	\$40	\$4,891	\$63,580.00	5	\$12,716
7	8	\$56,433	\$7,054	ALPAWASH	MOISTURE PEG BASE	\$50	\$7,004	\$56,033.00	4	\$14,008
8	12	\$30,715	\$2,560	PENNSAID	VOLTAREN GEL	\$80	\$2,480	\$29,755.00	5	\$5,951
9	6	\$29,517	\$4,920	SYNVEXIA	LIDOCAINE PAD	\$120	\$4,800	\$28,797.00	2	\$14,399
10	5	\$20,460	\$4,092	XRYLIX	VOLTAREN GEL	\$80	\$4,012	\$20,060.00	2	\$10,030

\$979,461

\$961,186

Savings Opportunity %:

98.1%

- Savings avg. range avg. 2%-7% of plan cost
- Currently targeting 350 medications, 2,000+ NDCs



Jeff Post, R.Ph. Chief Clinical Officer

jeff.post@rxconnectionllc.com

937-671-0122

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