

Impact of COVID-19

Express Scripts Book of Business Insights (through 4/30/2020) | May 12, 2020

As the Pharmacy Benefit Manager for more than 100 million Americans, Express Scripts has a unique vantage point on the current drug landscape. COVID-19 has had a significant impact across our book of business. Following are some of our findings to help you monitor your plan's performance and compare it to trends in the marketplace. This reflects data through April 30, 2020. Given this is a highly dynamic and evolving environment, we will release updated findings as they become available. *Please note, the samples below are meant to provide general guidance for comparison purposes.*

CLAIMS VOLUME, UTILIZATION AND TREND

Stockpiling of maintenance medications drove a significant increase in claims volume and utilization in March, as patients opted for 90-day supply prescriptions at retail and home delivery. As expected, a measured decrease in April followed the March spike. We expect May's volume to follow April's downward trend as patients maintain sufficient on-hand supply. This may be somewhat offset by an increase in new patient starts, as stay-at-home orders and access restrictions are lifted on a state-by-state basis.

Book-of-Business Sample	Claims Volume <i>(adjusted Rx PMPM)</i>					Utilization <i>(days of therapy PMPM)</i>					Drug Trend <i>(gross cost net of rebates)</i>				
	March <i>(vs. Feb 2020)</i>	April <i>(vs. March 2020)</i>	March <i>(vs. March 2019)</i>	April <i>(vs. April 2019)</i>	YTD 2020 <i>(vs. 2019)</i>	March <i>(vs. Feb 2020)</i>	April <i>(vs. March 2020)</i>	March <i>(vs. March 2019)</i>	April <i>(vs. April 2019)</i>	YTD 2020 <i>(vs. 2019)</i>	March <i>(vs. Feb 2020)</i>	April <i>(vs. March 2020)</i>	March <i>(vs. March 2019)</i>	April <i>(vs. April 2019)</i>	YTD 2020 <i>(vs. 2019)</i>
Commercial*	16.2%	-14.4%	12.7%	-5.3%	3.7%	18.5%	-11.7%	15.1%	-1.3%	5.3%	18.6%	-5.2%	21.1%	11.3%	12.3%
Health Plans	17.0%	-13.3%	13.4%	-4.6%	3.8%	19.4%	-11.2%	15.5%	-1.3%	5.1%	17.4%	-6.1%	17.7%	7.0%	10.0%
Medicare - All	17.1%	-11.7%	10.2%	-6.1%	1.3%	18.5%	-10.7%	11.8%	-4.0%	2.2%	16.9%	-6.0%	13.8%	3.4%	6.5%
Medicaid - All	17.9%	-11.5%	12.2%	-8.1%	1.0%	19.3%	-7.6%	13.5%	-2.7%	2.9%	12.0%	-6.7%	13.8%	4.0%	9.2%
Medicare - MAPD	10.8%	-11.5%	6.0%	-4.9%	2.8%	14.0%	-10.5%	9.1%	-2.9%	3.5%	16.6%	-6.2%	15.4%	4.7%	8.6%
HCR - Off Exchange	17.8%	-15.7%	18.5%	-4.6%	4.9%	20.2%	-12.9%	20.5%	-0.8%	6.2%	24.6%	-5.3%	26.1%	15.5%	15.3%
HCR - On Exchange	16.4%	-13.5%	13.8%	-1.1%	8.3%	18.8%	-11.1%	16.0%	2.5%	9.7%	18.4%	-2.5%	22.9%	13.5%	15.8%

* includes Employers, Government, Union

Change in Adjusted Rx

	March <i>(vs. February 2020)</i>	April <i>(vs. March 2020)</i>	March <i>(vs. March 2019)</i>	April <i>(vs. April 2019)</i>
30 day	-2.0%	-15.9%	-0.3%	-1.3%
90 day	21.9%	-11.1%	23.2%	4.6%
Specialty	1.0%	-4.3%	0.5%	4.9%

Lower volumes at retail, due primarily to a reduction in prescriptions for acute medications

DRUGS WE ARE MONITORING

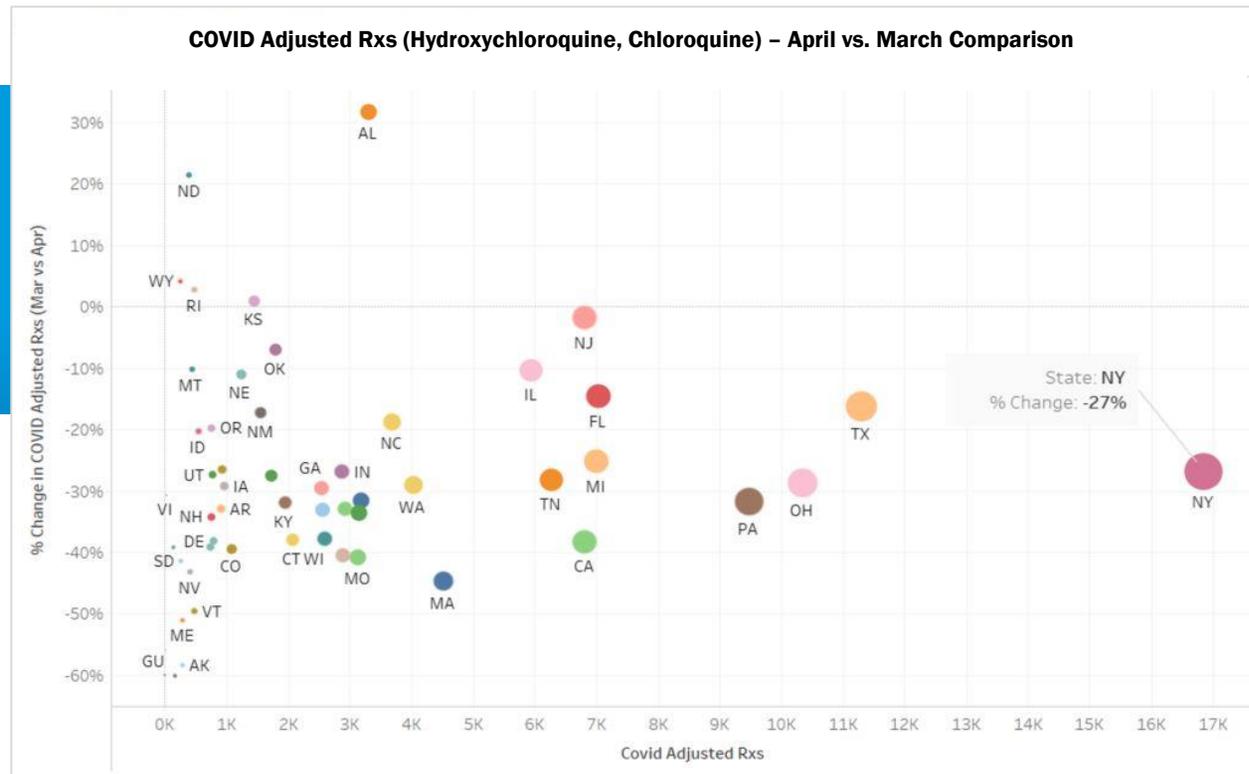
- After peaking on mid-March, claims for potential COVID therapies (Hydroxychloroquine, Chloroquine) have fallen 68.0%. As a reminder, these medications represent a small portion (0.2%) of all claims and are relatively inexpensive (2019 cost \$1.03 PMPY; 2020 initial projection range is \$1.07 - \$1.17 PMPY). They remain important for members being treated for evidence-based use, including lupus and rheumatoid arthritis.
 - After the initial spike, Express Scripts PBM created optional anti-stockpiling quantity limits to help protect the supply of five COVID-related therapies.* We implemented new Concurrent Drug Utilization Review (CDUR) alerts to ensure consistency and clarity for pharmacists/ pharmacies, encouraged pharmacy partners to not participate in stockpiling activities and added policies at our own home delivery pharmacy.
 - Future utilization may be affected by clinical study results and state actions, including some imposing restrictions specifically for prescribing of Hydroxychloroquine and Chloroquine

Weekly Change in Adjusted Rx's (Hydroxychloroquine, Chloroquine)



90.6%
of states and territories
experienced a reduction in
COVID therapies in April

COVID Adjusted Rx's (Hydroxychloroquine, Chloroquine) – April vs. March Comparison



*COVID-related therapies included in anti-stockpiling quantity limits: Hydroxychloroquine, chloroquine, azithromycin, Kaletra, and albuterol inhalers

- Medications for underlying conditions associated with higher COVID risk – diabetes, high cholesterol, high blood pressure and respiratory issues – **decreased 12.4% in utilization in April** , after increasing in March (+20.8%), Year-to-date, patient utilization of these classes is up +7.4%.
- **Mental health claims, particularly for those that treat anxiety, depression and sleep disorders, rose in March (17.6%), followed by a drop of 7.8% in April. Still, mental health claims are up 7.7% for the year and are expected to remain elevated.** For historical context, an increase in mental health issues were observed during the Spanish Flu in 1918-19 and persisted for almost a decade thereafter.¹ In response to this alarming trend, Express Scripts [partnered with SilverCloud Health](#) to make its digital mental health platform available to clients and their members at no cost. For more on this topic, see Express Scripts’ [America’s State of Mind Report](#).

COVID-19 PIPELINE UPDATE

While treatment of COVID-19 currently centers on managing symptoms and supportive care for patients, there is a need for effective vaccines to prevent it and medications for treatment.

- While there are currently no therapies approved by the FDA for the treatment or prevention of COVID-19, pharmaceutical manufacturers, universities and government agencies are casting a wide net looking for effective therapies to treat and/or prevent the disease. SARS-CoV-2 is a coronavirus similar to viruses that cause Middle Eastern Respiratory Syndrome Coronavirus (MERS-CoV) and Severe Acute Respiratory Syndrome Coronavirus (SARS-CoV), both associated with development of severe illness. Many investigated compounds for treating MERS and SARS are now being evaluated for COVID-19.
- There are multiple therapies in early-phase development for the treatment of COVID-19. Remdesivir has rapidly advanced into phase 3 clinical trials for patients with moderate or severe COVID-19, as well as hospitalized patients with mild or moderate COVID-19. Table 2 highlights some of the novel drugs in development for COVID-19. Due to the large number of products being screened for possible use, the table is not an exhaustive list of potential therapies. Rather, we highlighted some of the more promising agents progressing through the development process.

Drug	Manufacturer	Mechanism	Route	Status
remdesivir	Gilead	Broad-spectrum antiviral	IV infusion (5 or 10 days)	Phase 3*
tradipitant	Vanda Pharmaceuticals	neurokinin-1 receptor antagonist	Oral (twice daily x 14 days)	Phase 3
favipiravir	FujiFilm Tyoama Chemical	RNA polymerase antiviral	Oral (twice daily x 7 days)	Phase 3
leronlimab	CytoDyne	CCR5 viral entry inhibitor	Subcutaneous	Phase 3

*EUA = Emergency Use Authorization

- Several vaccines are in early-phase development to protect against COVID-19. Once they reach clinical trials, data will be collected over at least six months, if not more, to determine if the vaccines are both safe and effective for preventing infection with SARS-CoV-2. The more promising vaccines will be expedited through the FDA approval process; however, the first vaccine is not expected to be approved for 12-18 months, at the earliest.

Vaccine	Manufacturer	Route	Status
BNT-162	Pfizer/BioNTech	Unspecified	Phase 2
ChAdOx1 nCoV-19	Oxford/AstraZeneca	Intramuscular	Phase 2
mRNA-1273	Moderna	Intramuscular (two doses)	Phase 1
INO-4800	Inovio	Intradermal	Phase 1
Coronavirus Vaccine	Altimune	Intranasal (one dose)	Preclinical
Coronavirus Vaccine	CureVac	Intramuscular (1-3 doses)	Preclinical
Coronavirus Vaccine	Janssen	Unspecified	Preclinical
COVID-19 S-Trimer	GlaxoSmithKline/Clover	Unspecified	Preclinical

** American College of Allergy, Asthma and Immunology. “A message to asthma sufferers about a shortage of albuterol metered dose inhalers.” 9 April 2020.

¹Eghigian, G. “The Spanish Flu Pandemic and Mental Health: A Historical Perspective.” Psychiatric Times. 3 April 2020.

REFILL TOO SOON

The Refill Too Soon (RTS) edit is a point-of-sale alert aimed at preventing patients from obtaining medication too early. With COVID-19, the industry had an increase in the volume for these edits, primarily driven by quarantine orders and shelter-in-place directives across the country. RTS claims are allowed under normal circumstances for reasons such as lost medication, vacation supply or changes in dosing. However, the March 2020 RTS override rate was significantly higher than normal. As we moved into April, we observed an overall downward trend in the override rate, with a slight uptick in the latter half of the month.

- The April 2020 RTS override rate for Commercial clients peaked at **3.7% the week of April 26**, compared to an average 1.4% pre-COVID. The override rate was trending lower as we entered April with a low of 2.8% the week of April 12. It has since been trending upward.
- The April 2020 RTS override rate for Health Plan/Medicare/Medicaid clients saw a decline as we entered April with a low of 6.4% the week of April 12. Since then, it has been trending upward and ended the month at **6.9% the week of April 26**. This is well above the pre-COVID average of 2.7%.
- The most frequently overrides are for chronic medications, in the categories of: Hypertension, Diabetes, Depression, High Cholesterol and Thyroid Disorders.

