



PARTNER WITH CONFIDENCE

Optimizing Financial and Clinical Outcomes

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Let your goals be your guide

The challenges you face in addressing every change, including every new drug, treatment guideline, technology and regulation, are daunting.

Once you've successfully implemented a new health services partner, how can you ensure the best savings for your plan, experience for your members and clinical outcomes for their overall health?

While no plan design is completely future-proof, the best-designed benefits align to your goals and are intentionally created to anticipate change and drive better decision-making by members, their physicians and pharmacies over the long-term.

This guide can help you design your pharmacy benefit to deliver on your plan's goals—from clinical outcomes and affordability, to member service and compliance.

Together with a clear understanding of your goals, we can achieve success by design.



Clinical Goals

Measurably improve medication safety and effectiveness, without busting your budget.

If you need to protect your members from unsafe and ineffective treatment, you should design your plan to make it easy for patients, their doctors and pharmacies to do the right thing. The best-designed plans preclude coverage for unsafe, ineffective and low-value treatment. They may set lower out-of-pocket costs for the safest, most effective and highest-value options, and for increasing adherence for important treatments for chronic disease.

Optimizing plan design starts with being intentional about coverage and out-of-pocket costs. It means enacting coverage policies such as step therapy and prior authorization protocols that protect your patients and your plan from using unsafe, ineffective and inappropriate medications. It involves structuring deductibles, copayments, coinsurance and out-of-pocket caps to provide incentives for members to use the safe and effective medications they need at the lowest cost.



Financial goals

Provide affordable access to the medications your members need—at a cost you can continue to afford.

If you need to minimize the cost of your benefit, you should design your plan to minimize waste. The best designed plans exclude coverage of drugs and pharmacies that don't deliver the value members need. In addition, they structure out-of-pocket costs to incent the use of lower-cost generics, preferred brands and a subset of pharmacies that deliver better value.

On the specialty side, offering a richer pharmacy benefit while controlling specialty spend (to create budget headroom for future needs) is another common goal. Patients need their specialty medications, and plans need better affordability. You can utilize plan design changes to identify select drugs as non-essential health benefits, enabling maximum savings and reducing plan and member costs.





Service goals

Deliver on member expectations for access and service.

If you're focused on exceeding member expectations, you should design your plan to foster and facilitate a proactive, no surprises and highly communicative approach. The best-designed plans set expectations up front and clearly communicate about their benefits, including the rationale behind their policies or any changes. Taking the time to not just communicate, but also measure the level of understanding that members have about their benefits is a great way to gauge the effectiveness of the effort and ensure expectations are being met.

From a benefit design standpoint, plans may allow those members who prefer to use lower-value medications and pharmacies to pay more for the privilege. When they limit coverage, these plans can then offer exceptions that conform to the benefit's intent through easy-to-follow appeals processes.



Regulatory goals

Keep my plan compliant with applicable laws and regulations.

You will want timely changes to your plan design that keep you compliant with applicable state and federal laws and regulations.



Success by design

Blueprint for building an optimal plan design

Well-managed plans don't just happen. They rely on key strategies and solutions that work in tandem to drive down costs and deliver better clinical value. Clients who effectively utilize all of these strategies to manage their pharmacy benefit realized lower spend per member per month and lower year-over-year trend while receiving consistent, dedicated care for their members.

The next pages of this guide will provide specifics and considerations to keep in mind related to each of these areas. Click on an icon below to learn more about these strategies and solutions.



Formulary Management



Utilization Management

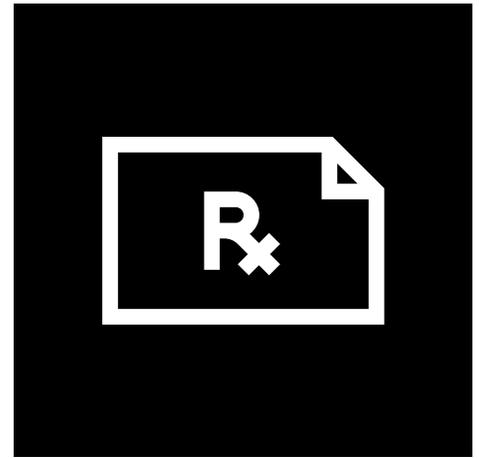


Network Management



Holistic care and cost management

Formulary Management



Formularies create competition among manufacturers that generate savings for plans—benefiting both patients and payers. Formularies are a crucial strategy for keeping prescription drugs affordable, but only if they preserve access to the medications patients need to stay healthy. Because each of our clients have unique needs and benefit design philosophies, Express Scripts offers several formulary options, including CMS-approved Medicare Part D formularies.

When developing a formulary, we first focus on clinical appropriateness—then financial considerations come into play. Before fully evaluating the process and value of our formularies, some plan sponsors may be apprehensive about implementing formulary strategies due to possible member disruption from excluded drugs. But while some disruption is possible, the extent is usually much less than anticipated—and the savings much more than expected.

Between evaluating clinical appropriateness through multiple internal and external stakeholders judging on value and therapeutic assessment, building a formulary is a complex task for any one plan to tackle alone. But it doesn't have to be—let us do the heavy lifting. Our team is highly experienced and skilled, and we're ready to help you select the best formulary option to meet your plan's needs.

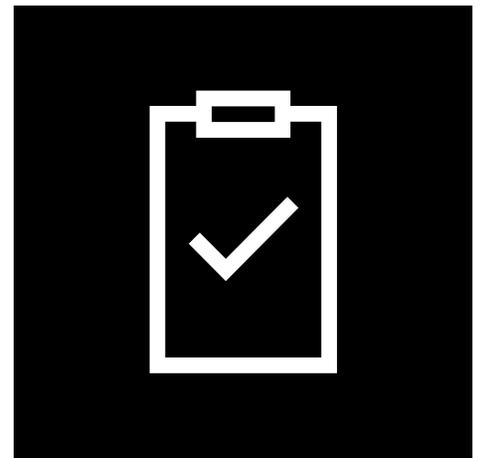
[Learn more about formularies offered by Express Scripts.](#)

\$19 BILLION

In annual incremental savings through the NPF over the last seven years



Utilization Management



In the fluid health care environment, where patient populations shift overnight and new expensive therapies are coming to market at a rapid pace, it's more important than ever to ensure that we're getting the right medications in the right dosage to the right patients for the right indications with the first fill.

This is where utilization management (UM) comes in. Consisting of prior authorization, step therapy and drug quantity management, UM is essential to guiding patients to safer, more effective drug choices, using clinically based criteria to:

- + Promote safety
- + Influence positive health outcomes
- + Increase generic fill rates and formulary compliance
- + Increase members savings and reduce drug spend

\$3.4 BILLION IN COSTS AVOIDED BY OUR COMMERCIAL CLIENTS IN 2019 ALONE—ROUGHLY 10-13% OF THEIR PHARMACY SPEND

Our Advanced Utilization Management (AUM) offering is built upon various lists targeting specific areas such as cancer medications, lifestyle medications, high-cost therapies, etc.—allowing you to select from several options based on your goals and the level of coverage appropriate for your plan.

[Learn more about Express Scripts Advanced Utilization Management.](#)

Core components of utilization management

Prior Authorizations (PAs)

PAs help prevent members from taking medications for unintended or inappropriate indications—avoiding adverse events and suboptimal therapy outcomes.

Step Therapy

Step Therapy ensures less costly alternative medications are recommended first. Clients and members should not have to pay for a higher price “second-step” medication when the same chemical equivalent or an alternate therapy with similar clinical outcomes are available for less.

Drug Quantity Management

The Drug Quantity Management program includes more than 1,200 quantity limits—supporting safe, effective and economic use of drugs while giving patients access to quality care. Ongoing audits also provide for timely prescription entry error correction.



CASE STUDY

Advanced Utilization Management in Action

The right strategy can not only protect a plan from a catastrophic shift, but also ensure clinically appropriate and effective use of new drugs as they come to market.

For example, in certain circumstances, the oral drug Iclusig (which costs around \$20,000 per month) is reserved for patients whose leukemia has not responded to other products in the same category. Through the Advanced Utilization Management program, a newly diagnosed patient with a specific type of leukemia who is prescribed Iclusig will be redirected to other less expensive medication recommendations for first use. Treatment for this type of leukemia can last up to three years, with Iclusig potentially costing \$700,000+ for a single patient.

With Advanced Utilization Management, members will have access to the best therapy for them first, causing less financial impact to payers and patients as more people start on the right therapy from the beginning. These clinical checks are first developed through the lens of member care. Each check put in place will lead members to clinically safe and effective medications that cost less for both the plan and members.

Clinical checks help ensure more patients start on the right therapy from the beginning

Network Management



A fully optimized network strategy includes strategies for both 30- and 90-day supplies of medications. Plan sponsors can choose from a wide variety of retail anchors and home delivery options based on their members' current needs and preferences.

Express Scripts offers a variety of network solutions based on your plan's specific needs and goals through Optimized Network Efficiency, the ONE Method, which gives you the power to optimize your network without compromising your members' access through a bundled strategy.

We can help you identify the right optimized network for your plan, consisting of:

- + A preferred 30-day pharmacy structure, meaning members choose from any pharmacy, **but pay \$5-10 less per fill at preferred locations**
- + A 90-day maintenance medication network **offering members savings and convenience** from thousands of retail pharmacies or home delivery from Express Scripts Pharmacy®
- + Quality of care, where pharmacies are offered incentives to provide a higher level of care and service at the pharmacy counter, **while driving down plan costs**. We'll measure how they're doing against pre-defined clinical metrics and let you know the highest and lowest performers
- + Clinical care with each member-to-pharmacist interaction for patients living with some of the most common disease states: diabetes, pulmonary and migraines. This matters, because **patients interact with pharmacists up to 12 times per year**. And studies show that enhancing communication can lead to significant breakthroughs in medication adherence.¹

With a bundled network strategy, we make it easier to pick the optimization level that works for your plan and your members.

[Learn about the different kinds of networks and consider what may work best for your plan.](#)

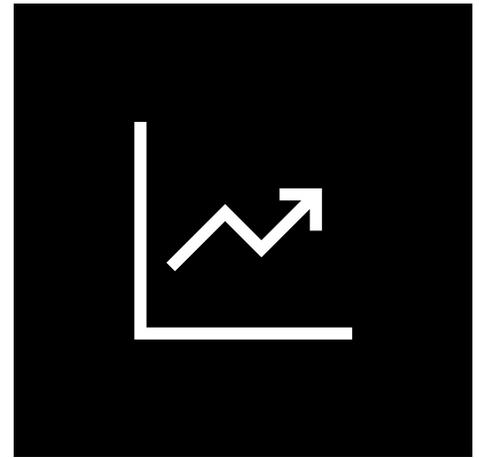
Most networks allow members to go anywhere. They may pay as little as

\$5 MORE

90-DAY

prescriptions help reduce waste from nonadherence, increase plan savings and most importantly, improve care and convenience for patients

Holistic Care and Cost Management



Unlocking greater value for plans and better outcomes for patients

High-cost conditions, such as diabetes, cardiovascular disease, cancer, inflammatory conditions, pulmonary disease and multiple sclerosis, are a challenge for today's plans. These are complex, costly conditions to manage.

Many plans rely on SafeGuardRx®, Express Scripts' value-based platform, to deliver financial value while providing condition-specific digital tools and Therapeutic Resource Center® (TRC) support that actually improve member health.

At the heart of SafeGuardRx is our unwavering belief that within the most complex and expensive health care issues exists the greatest opportunity for improvement. Over time, SafeGuardRx unlocks increasingly greater clinical and financial value for plans and better outcomes for patients—providing peace of mind by reducing risk, cost and waste. Plans enrolled in SafeGuardRx experience lower overall trend than plans that aren't enrolled.

[Learn more about SafeGuardRx.](#)

MOST SAFEGUARDRX® PROGRAMS INCORPORATE UTILIZATION MANAGEMENT RULES TO PROTECT PATIENT SAFETY AND KEEP PLAN COSTS IN CHECK.



Providing specialty care for patients with chronic and complex conditions

Accredo practices specialty pharmacy through our TRCs, allowing us to provide care uniquely tailored to the individual needs of patients with chronic and complex conditions.

Our specialty TRCs drive significant savings:

- + **\$6.3B in total specialty pharmacy program savings**, including \$1.8B in therapy management cost avoidance¹
- + More than **\$8M in waste avoidance** through vial optimization protocol²
- + **2M+ clinical interactions with patients** in the last year²

[Learn more about managing specialty](#)

Helping members—and plans—access copay assistance

It's also essential to effectively manage costs for members who are not only living with complex conditions, but also having to make arrangements to pay for costly medications that are essential to improving their health outcomes. Luckily, 80% of all specialty medications have a copay assistance program available. When plan sponsors implement our SaveOnSP solution, we help their members access these programs—significantly increasing savings available to the plan.

[Learn more about SaveOnSP.](#)

Digital health solutions

With more than 300,000 health and wellness apps in the marketplace, and the average plan using between 4-9 separate solutions, analyzing and integrating data from multiple sources, and evaluating ROI can become an administrative burden. What's more, as the digital health industry continues booming, navigating the landscape can be confusing, complex and time consuming for plan sponsors.

Our first-to-market Digital Health Formulary employs a rigorous review process, evaluating each solution's clinical effectiveness, affordability, security and user experience.

[Learn more about the Digital Health Formulary.](#)

ONLY 1-2%

of Americans use a specialty medication—however, these drugs will account for half of total U.S. drug spend in 2020³

\$7 PMPM

net client savings potential with our copay solutions

End-to-end management saves clients between

\$100K-\$200K

in administrative costs⁴ per implemented solution

Outcomes-based approach to care

Too often, care is fragmented. Visibility into what is happening with your members is limited. Chances are, you may not be certain how your clinical and engagement services are working together—or of their bottom-line value.

Without true data integration—from all solutions, across all vendors, for all members—and fully connected reporting on opportunities and outcomes, it can be difficult, if not impossible, to deliver only what individual patients need.

Health Connect 360SM is a guaranteed, outcomes-based clinical approach that offers an unprecedented in-depth view of your healthcare environment at the member- and population-level. Because health care needs are as individualized as your member population, this program redefines and personalizes member engagement like nothing else has—ensuring we engage the right person, at the right time, with the right intervention.

Refreshed continuously with insights from patients, prescribers, pharmacists, remote monitoring devices, lab data and care management teams, while utilizing machine learning processes, this new clinical model fully integrates all parts of the healthcare continuum for true care coordination.

A dedicated Population Health Manager provides additional support by reviewing suggested clinical engagements and recommending targeted outreach based on individual patient needs. These clinicians study your data every day, looking for opportunities to address care needs that require clinical attention and ensuring that none of your members are falling through the cracks. They will also keep you informed about the best available engagement options, making operations across different healthcare services easier and helping you achieve optimal outcomes based on your clinical goals.

No more guessing about which clinical care support tactic will work best with your existing clinical programs and external vendors. With Health Connect 360SM, we provide holistic benefit management to meet your plan's customized clinical targets—aligned to your overarching goals—with guaranteed clinical outcomes and financial return for your plan.

[Learn more about Health Connect 360.](#)

14% LOWER

hospitalization rate for patients with 1-2 chronic conditions achieved with Health Connect 360⁵

121%

more adherence gaps closed with Health Connect 360⁵

23,000+

therapy changes were made following a health and safety alert with Health Connect 360⁵





Advancing implementation. Elevating care.

You may already be implementing or considering some of the recommendations and changes in this guide on your way to a smarter, more efficient plan design

Now it's time to think about how some of our other benefit design suggestions might positively impact your organization.

Review this guide each year and think about what circumstances, need or goals have changed, what management strategies worked and what you can do differently to optimize your benefit.



Always be on the lookout for new opportunities to optimize your benefit



Reach out to our experts for recommendations



Build an action plan aligned with your goals—whether they are clinical, financial, regulatory, or service-driven in nature

Your Express Scripts representative would be happy to advise you on ways to improve your plan design to better align with your goals and the needs of your members.

We look forward to speaking with you about how small changes to your benefit can make a meaningful impact

References:

1. Comparing plans using a generic to brand copay differential of \$0-\$9 vs. \$10-19
2. Accredo book of business data 2019
3. Waste in the US Health Care System, Estimated costs and potential for savings, October 7, 2019: <https://jamanetwork.com/journals/jama/article-abstract/2752664>
4. Express Scripts 2019 data
5. Pilot Study Findings: Pilot based on ~400K+ Commercial lives; Analysis included actual client medical data comparing full 2018 calendar year to full 2019 calendar year; Members who received an HC360 clinical intervention compared to a sample of members without a clinical intervention matched based on age, gender and Charlson Comorbidity Index