

WAREHOUSE EMPLOYEES LOCAL 730 HEALTH AND WELFARE FUND

January 2022 – December 2022

Savings Results
Pharmacy Updates
Member Engagement

June 9, 2023

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2023 SHARED ADMINISTRATION HIGHLIGHTS

- **NEW BRANDING**
 - **THE CIGNA GROUP**, the global health company
 - **Cigna Healthcare**, the health benefits provider
 - **Evernorth Health Services**, the pharmacy, care and benefits solutions provider
- **MD LIVE FOR CIGNA 2023- SAR** - Focused on creating affordable, predictable and simple solutions
 - **Primary Care**
 - **Minor medical care**
 - **Dermatology**
 - **Behavioral**
 - **A buy up solution**
- **BEHAVIORAL HEALTH NETWORK**
 - **Network growth of 15.4% ,exceeding our 10% goal!**
 - **The behavioral network had doubled in size in the past 5 years.**
 - **95% of customers recommend their in-network behavioral provider.**
 - **Virtual care network is the largest in the country with over 163,000 providers.**
 - **Expanded partnership to address mental health needs of oncology patients.**
 - **216,000 mental health and substance use providers**
 - **6K+ facilities**
- **MEDICAL MANAGEMENT PROGRAMS – New Options**
 - **Complex Claim Management –Pre Payment**
 - **Optional Buy- up program based on a percentage of savings**
 - **Dedicated team of nurses and specialty teams aligned to certain conditions – Ortho, Cardiac, Women/Children’s NICU**
 - **Cigna Special Investigation Unit (SUI)**
- **myCigna Enhancement Live 4Q-**
 - **Provider look up for specific provider searches regarding LGBTQ+ searches**

Network Savings Results



PPO and Out of Network Savings Program

January 2022 – December 2022

In Network	Charges	Network Allowed	Network Savings	%
Inpatient	\$119,746	\$117,052	\$2,694	2.2%
Outpatient	\$895,844	\$628,524	\$267,320	29.8%
Physician	\$2,432,120	\$1,009,807	\$1,422,313	58.5%
Total	\$3,447,710	\$1,755,383	\$1,692,327	49.1%

Out of Network Savings Program	Charges	Network Allowed	Network Savings	%
Outpatient	\$57,906	\$30,254	\$27,652	47.8%
Physician	\$144,613	\$46,690	\$97,924	67.7%
Total	\$202,520	\$76,944	\$125,576	62.0%

Total Year To Date Savings January 2022 – December 2022

	Savings
PPO Network Savings	\$1,692,327
Out of Network Savings	\$125,576
Utilization Management Savings	\$68,880
Case Management Savings	\$9,207
Outpatient Care Management Savings	\$34,823
Total Year To Date Savings	\$1,930,813

PPO and Out of Network Savings Program

January 2023 – March 2023

In Network	Charges	Network Allowed	Network Savings	%
Outpatient	\$97,542.26	\$75,038.25	\$22,504.01	23.1%
Physician	\$443,541.98	\$198,776.46	\$244,765.52	55.2%
Total	\$541,084.24	\$273,814.71	\$267,269.53	49.4%

Out of Network Savings Program	Charges	Network Allowed	Network Savings	%
Outpatient	\$4,494.07	\$1,540.51	\$2,953.56	65.7%
Physician	\$24,251.65	\$5,338.44	\$18,913.21	78.0%
Total	\$28,745.72	\$6,878.95	\$21,866.77	76.1%

Total Year To Date Savings January 2023 – March 2023

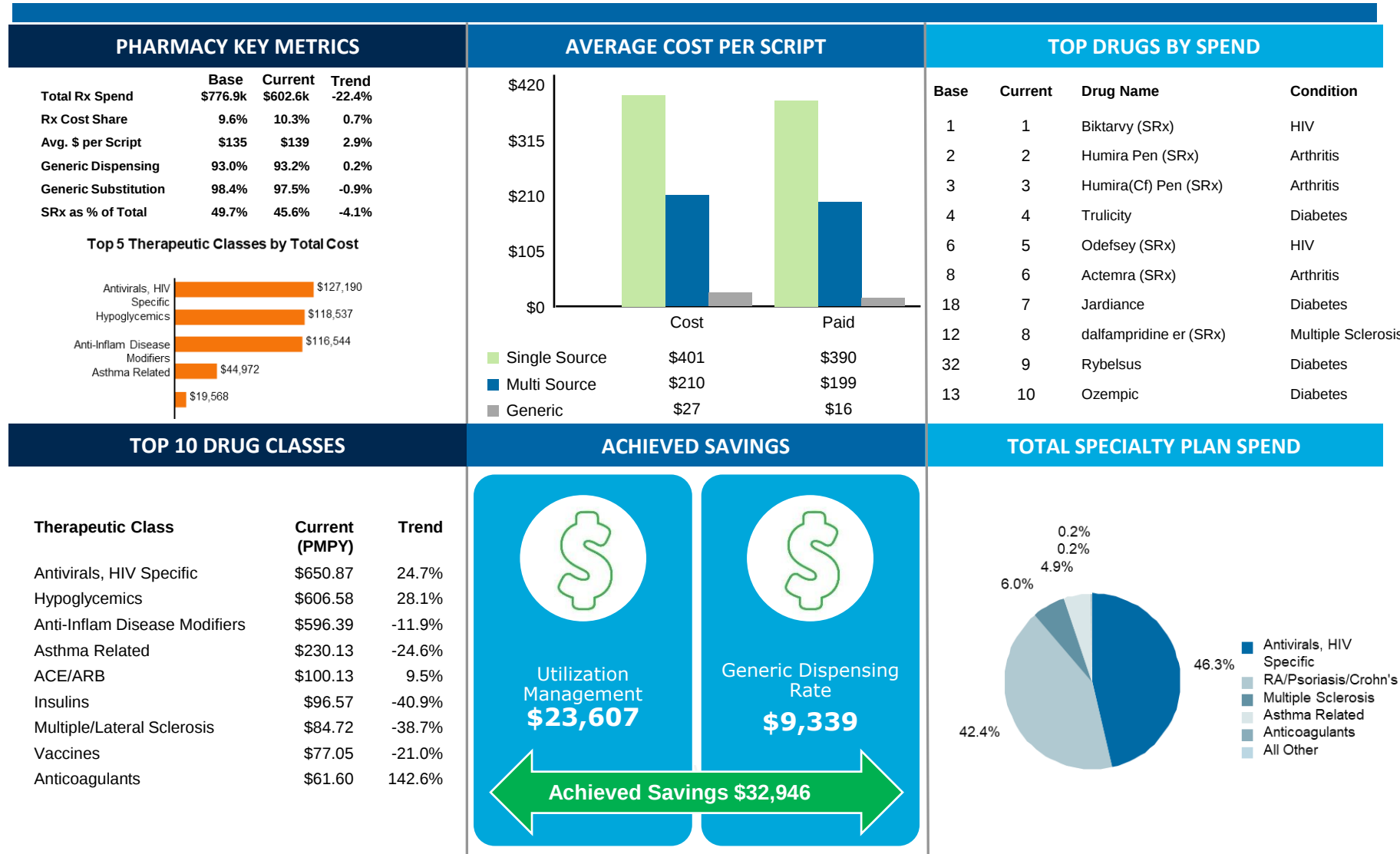
	Savings
PPO Network Savings	\$267,270
Out of Network Savings	\$21,867
Utilization Management Savings	\$3,896
Case Management Savings	\$10,490
Outpatient Care Management Savings	\$8,064
Total Year To Date Savings	\$311,586

Pharmacy Updates





PHARMACY - TOTAL HEALTH INSIGHT OVERVIEW



5.1% of members are on specialty medications driving 50.0% of the plan spend

RECOMMENDED PROGRAM

- Patient Assurance Program
- Cigna 90 Now Exclusive



PATIENT ASSURANCE PROGRAM

Moving one step closer to helping every customer focus on what matters most:
their wellbeing

1 IN 4
people with
diabetes have
cut back their
dosage **DUE**
TO
COST.¹

Lower **COSTS**

Eligible customers pay no more than \$25 per 30-day supply of preferred and participating diabetes medications.² A 40% reduction from average out-of-pocket cost of \$41.50 in 2018.³

Better **Predictability**

Improve predictability and affordability for customers each time they fill an eligible Rx to drive adherence.

Smarter **Healthcare**

Change the medication affordability story and make a meaningful difference for your employees.

Collaboration with **drug makers** to provide a discount that goes directly to the customer at the point of sale.

There's **no fee** to enroll.

Included diabetes drug categories:⁴

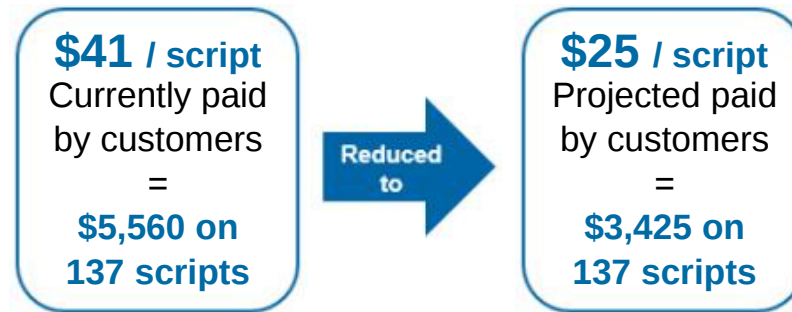
- Preferred insulins
- Preferred non-insulin diabetes medications (DPP-4 inhibitors, GLP-1 agonists and SGLT2 inhibitors)



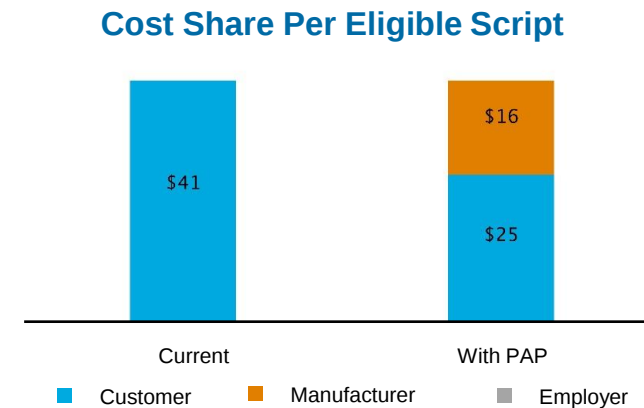
Patient Assurance Program - Opportunity

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The Patient Assurance Program improves customer affordability by capping customer cost share at \$25 per one-month supply for eligible medications. This discount is provided through arrangements with manufacturers to apply up to \$50 per one-month supply that goes directly to customer at point of sale.



Program value of \$2,135 available at point of sale for eligible drugs



22 customers would have cost share reduced to \$25 / script, saving \$2,135 or \$10.93 PMPY.

Top Customer Savings by Drug

Drug Name	Customers	Scripts	Current Cost Share	Projected Program Value
Trulicity	5	36	\$1,440	\$540
Jardiance	5	32	\$1,280	\$480
Synjardy Xr	2	16	\$680	\$280
Other	15	53	\$2,160	\$835
Total	22	137	\$5,560	\$2,135

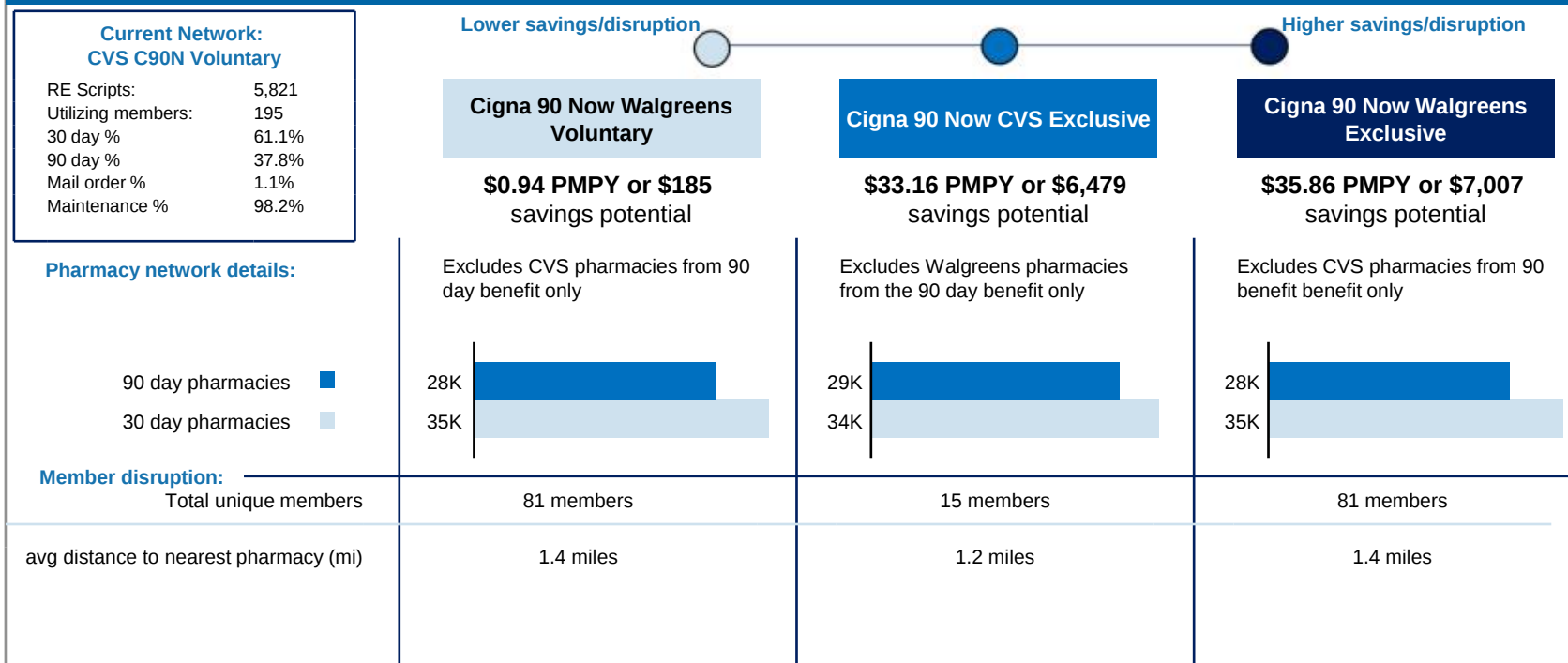
Comments

- Data includes only eligible drugs with cost share greater than \$25 per month
- 22 customers represents 5% of all pharmacy utilizers
- \$2,135 of the program value is from manufacturer discounts at the point of sale



Network Flexibility

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Cigna offers a range of retail pharmacy networks for clients seeking affordability and better health outcomes

Network flexibility — shift into savings

- Cigna 90 Now Voluntary and Exclusive networks provide additional savings through a narrower network of pharmacies for 90 day fills, with Exclusive benefits requiring maintenance medications be filled for 90 days at home delivery or participating retail pharmacies, aiming to improve medication adherence
- The percentage of members with greater than 80% maintenance medication adherence is 71.7% for current 90 day retail utilizers, versus 56.5% for current 30 day retail utilizers. With more steerage to 90 day retail, or 90 days at home delivery, medication adherence may improve



Member Engagement



Key Findings and Observations 2022

Membership



- **Top 5 MDC's**
 - Neoplasms, Musculoskel/Fracture/Sprain/Strain, General Medical Diagnoses, Neurological/Cerebrovascular and Gastrointestinal

ER versus UC



- 115 ER visits by 81 unique members – 38 of those were steerable by 31 unique members; compared to 51 visits by 39 unique members during the same time period in 2021
- Urgent Care visits decreased from 296 visits in 2021 to 194 during 2022

Web Tools



- 2 members have completed a health assessment; compared to 3 in 2021
- 145 members have registered on myCigna.com, compared to 90 the previous year. 69 members have utilized myCigna.com during January 2023 – April 2023

Emergency Room/Urgent Care 2021 & 2022



2021	
ER Summary	
Total ER Visits	170
Total Charge	217,754
Allowed Amounts	\$143,606
ER Cost per claim	\$845
UC Summary	
Total UC Visits	296
Total Charge	\$99,412
Allowed Amounts	\$52,993
UC Cost per Claim	\$179
Steerable ER Summary	
Steerable ER Visits	51
Unique Members	39
Potential Redirect Saving	\$30,906

2022	
ER Summary	
Total ER Visits	115
Total Charge	\$121,906
Allowed Amounts	\$74,166
ER Cost per claim	\$645
UC Summary	
Total UC Visits	194
Total Charge	\$67,293
Allowed Amounts	\$38,597
UC Cost per Claim	\$199
Steerable ER Summary	
Steerable ER Visits	38
Unique Members	31
Potential Redirect Saving	\$9,728

Lab Utilization 2021 & 2022



Savings using Quest or LabCorp



2021	Total Charges	Total Allowed	Total Savings	Claim Count	Cost per claim	% Savings
Quest & Labcorp	\$262,946	\$54,772	\$208,173	2,772	\$20	79%
All other In-net	\$240,611	\$113,422	\$127,189	2,217	\$51	53%
Total In-network	\$503,557	\$168,195	\$335,362	4,989	\$34	67%

2022	Total Charges	Total Allowed	Total Savings	Claim Count	Cost per claim	% Savings
Quest & Labcorp	\$222,175	\$45,549	\$176,627	2,436	\$19	79%
All other In-net	\$138,421	\$67,644	\$70,776	1,549	\$46	51%
Total In-network	\$360,596	\$113,193	\$247,403	3,985	\$28	67%

2023 Engagement Plan

	Action	Target	Communication
1	LabCorp and Quest continue to provide the fund with the most savings; encourage members to utilize these providers	Increase LabCorp and Quest utilization for maximum lab savings	Utilize communications via Warehouse 730's website, newsletters and flyers in high member traffic locations
2	Provide Urgent Care and 24 HIL (Health information Line) to members	Urgent Care facilities are less costly than ER visits and are generally available in most areas; 24HIL is available 24/7 and can provide quick information regarding best place to go for treatment/symptoms	Communication pieces regarding urgent care as well as 24HIL can be provided to Warehouse 730 to utilize on the website, newsletters or flyers can be provided for use in high member traffic locations

Thank You



APPENDIX



Pharmacy Drug Utilization Management Performance

WAREHOUSE EMPLOYEES LOCAL 730 H&W FUND

Savings summary

Edit Type	Impacted Members	Savings
Baseline*	82	\$13,121
Quantity Limits	19	\$8,168
Step Therapy	2	\$1,477
Prior Authorization	2	\$841
Specialty Utilization Management	0	\$0
Total	93	\$23,607

* Programs within this group are Refill Too Soon, Dose Optimization (DACON), Quantity over time, certain age limits, maximum dose, cost, and quantity per script

Savings by therapeutic class

Therapeutic Class	Impacted Members	Savings
Hypoglycemics	16	\$12,335
Antivirals, HIV Specific	4	\$2,890
Multiple/Lateral Sclerosis	1	\$1,123
Impotency Related	16	\$846
Eye	3	\$842
Asthma Related	7	\$808
ACE/ARB	19	\$739
Antiulcer	5	\$640
Anticoagulants	2	\$545
All Other	63	\$2,840



Personalized customer analysis and client cost control

Specialized clinicians provide the right expertise and process for each case, to manage both utilization and costs

Comments

- A total of 93 members were impacted through various utilization management programs that resulted in savings of \$23,607
- The greatest savings were driven by the Baseline edits
- Specialty UM savings - top therapeutic classes : Multiple/Lateral Sclerosis, Antivirals, HIV Specific, Immune Related
- The pharmacy utilization management package helps protect against potentially harmful, ineffective or unnecessary drug treatments and rising drug costs by checking for:
 - Customer diagnosis matches clinical guidelines for use
 - Clinically appropriate quantity, dose, and duration of use
 - Error, inappropriate drug use and opportunity to reduce waste
 - Promotion of safe and effective drugs that deliver better value
 - Specialty medication coaching, specialty condition support and holistic health coaching opportunities



High Cost Claimants - Pharmacy Benefit Drug Spend

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High cost claimants

Base	<u>Rank</u>		Gender	Age	Relationship	Condition	<u>Benefit Drug Spend</u>		Top Drugs
	Current						Pharmacy		
1	1		M	50-59	Employee	RA/Psoriasis/Crohn's	\$58,746	.	Humira(SRx)
3	2		M	50-59	Employee	Antivirals, HIV Specific	\$45,326	.	Biktarvy(SRx)
2	3		M	50-59	Employee	RA/Psoriasis/Crohn's	\$40,223	.	Humira(Cf)(SRx)
4	4		M	60-64	Employee	Antivirals, HIV Specific	\$39,582	.	Odefsey(SRx),Biktarvy(SRx)
6	5		F	60-64	Spouse	RA/Psoriasis/Crohn's	\$29,396	.	Actemra(SRx)
11	6		M	50-59	Employee	Antivirals, HIV Specific	\$22,236	.	Dovato(SRx),Efavirenz-Emtric-
13	7		M	50-59	Employee	Multiple Sclerosis	\$20,096	.	Dalfampridine
47	8		F	50-59	Spouse	Hypoglycemics	\$16,632	.	Trulicity,Synjardy
14	9		F	60-64	Employee	Hypoglycemics	\$15,361	.	Trulicity
17	10		M	50-59	Employee	Hypoglycemics	\$12,070	.	Ozempic
24	11		M	60-64	Employee	Hypoglycemics	\$11,942	.	Rybelsus,Glyxambi
12	12		M	40-49	Spouse	Hypoglycemics	\$11,709	.	Trulicity,Synjardy
34	13		M	65+	Employee	Antivirals, HIV Specific	\$11,448	.	Biktarvy(SRx)
96	14		M	50-59	Employee	Cardiovascular Related	\$10,947	.	Entresto
-	15		F	40-49	Spouse	Asthma Related	\$9,148	.	Dupixent(SRx)
25	16		M	65+	Employee	Asthma Related	\$8,926	.	Trelegy
-	17		F	50-59	Spouse	Metabolic	\$8,027	.	Velporo,Renvela
29	18		M	60-64	Employee	Hypoglycemics	\$7,725	.	Mounjaro
7	19		F	18-29	Dependent	Asthma Related	\$7,551	.	Dupixent(SRx)
26	20		M	30-39	Employee	Antivirals, HIV Specific	\$7,111	.	Emtricitabine-Tenofovir
28	21		F	65+	Spouse	Hypoglycemics	\$6,843	.	Rybelsus
21	22		M	40-49	Employee	Insulins	\$6,765	.	Humalog,Tresiba
152	23		F	60-64	Spouse	Hypoglycemics	\$6,606	.	Jardiance
41	24		M	65+	Employee	Anticoagulants	\$6,336	.	Eliquis
31	25		F	40-49	Spouse	Insulins	\$5,891	.	Levemir

* SRx - Specialty Pharmacy





RationalMed for Cigna

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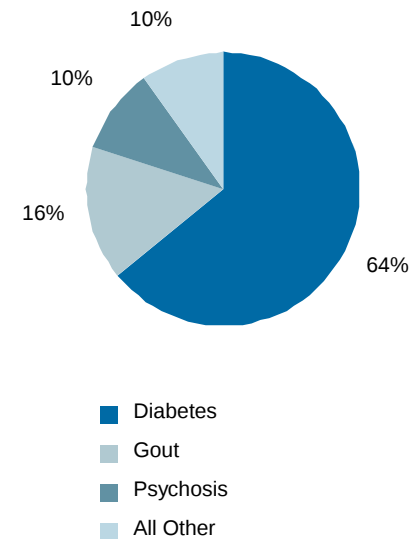
RationalMed for Cigna is a gaps in care solution which sends alerts electronically and in real-time to providers to improve the health and safety of our customers while driving savings for our clients.



Gaps & Savings by Category

Alert Category	Examples	Gaps	Closures	Savings PMPY	Customers
Adverse Drug Risk	Drug/drug interaction, Drug/disease interaction	39	17	\$5.20	22
Coordination of Care	Multiple medications, Multiple prescribers	4	0	\$9.16	4
Omission of Care	Under dosing	0	0	\$0.00	0

Savings by Condition



Comments

- For the book of business, providers have also shared positive feedback on the usefulness & timeliness of the RationalMed alerts, and the organization & amount of information in the alerts.
- Under dosing gap closures may result in negative savings due to an increase in the dosage or strength of medication to support effective management of the condition the drug was prescribed to treat.



RationalMed for Cigna - Detail Summary

WAREHOUSE EMPLOYEES LOCAL 730 H&W FUND

RationalMed for Cigna is a gaps in care solution which sends alerts electronically and in real-time to providers to improve the health and safety of our customers while driving savings for our clients.

Alert Category	Gaps	Closures	Closure Rate	Savings PMPY	Savings Total	Customers
Adverse Drug Disease Consideration	4	2	50%	\$0.00	\$0	3
Adverse Drug Interaction	12	7	58%	\$3.78	\$739	8
Dose Duration Consideration	13	3	23%	\$0.17	\$33	7
Drug Age Consideration	0	0	0%	\$0.00	\$0	0
Drug Pregnancy	0	0	0%	\$0.00	\$0	0
Drug Therapy Duplication	3	2	67%	\$0.33	\$65	3
Duration Consideration	3	1	33%	-\$0.18	-\$35	3
Excessive Dosing	0	0	0%	\$0.00	\$0	0
High Risk Medications	3	2	67%	\$0.00	\$0	2
Quantity Considerations	1	0	0%	\$0.00	\$0	1
Pharmacogenomics	0	0	0%	\$0.00	\$0	0
Subtotal: Adverse Drug Risk	39	17	44%	\$5.20	\$1,017	22
Misuse/Abuse	0	0	0%	\$0.00	\$0	0
Polypharmacy	4	0	0%	\$0.00	\$0	4
Subtotal: Coordination of Care Opportunity	4	0	0%	\$9.16	\$1,791	4
Under Dosing	0	0	0%	\$0.00	\$0	0
Subtotal: Omission of Essential Care	0	0	0%	\$0.00	\$0	0
Total	43	17	40%	\$14.37	\$2,807	25