

Bakers Union and FELRA Health and Welfare fund

Quarterly Review
January - June 2020

September 9, 2020



Agenda: 1Q2020 Quarterly Review

Agenda

1. Key Discussion Topics

2. Performance Summary

3. Trend

4. Top Disease States

5. Vigilant Outcomes

Your OptumRx Team



Holly Agoney

Strategic Account Executive



Nicole Rogers

Pharmacy Account Manager



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Pharmacy Service Specialist



Adam Towner

Director, Client Management

Current Plan Design

☐ Deductible, Ben Max, MOOP, Copays

Plan 1 (group BFWRX):	
Deductible:	This plan has no deductible.
Benefit Maximum:	\$2,000 per year for Growth Hormones medications only
Max out of Pocket:	\$2,850 Individual / \$5,700 Family

Plan 2 (group BFWRX2) & Plan 3 (group BFWRX3):	
Deductible:	This plan has no deductible.
Benefit Maximum:	\$2,000 per year for Growth Hormones medications only
Max out of Pocket:	\$1,850 Individual / \$3,700 Family

Co-pays

Plan 1 (group BFWRX) & Plan 2 (group BFWRX2):			
	Retail		Mail
*Generic:	\$10	*Generic:	\$20
*Brand:	\$15	*Brand:	\$30
*NP Brand:	\$30	*NP Brand:	\$60
*Specialty:	Run trial claim for co-pay		*Specialty: N/A

Plan 3 (group BFWRX3):		
Retail / Mail		
*Generic:	5%	(\$5 min.)
*Brand:	15%	(\$15 min.)
*NP Brand:	25%	(\$25 min.)
*Specialty:	Run trial claim for co-pay	

☐ Select Formulary

☐ Effective 7/1/19

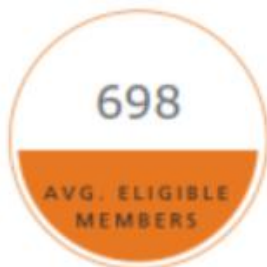
- ☐ Diabetes Program
- ☐ Comprehensive Ums
- ☐ Vigilant Program
- ☐ RxOTC Program

Key Discussion Topics

- ❑ Per Member Per Month (PMPM) trend = 9.5% Specialty trend = 24.4%
- ❑ Specialty accounted for 0.9% of claims
- ❑ Top 5 disease states accounted for 70% of total plan paid
 - ❑ Top traditional disease state: Diabetes
 - ❑ Top specialty disease state: Inflammatory Conditions
- ❑ UM Outcome Savings = \$80,500
 - ❑ This is for all PA, ST, QL currently in place
- ❑ Vigilant Outcome Savings (July 2019 to June 2020) = \$74,210

Key Statistics - Performance Summary

Client totals



The key metrics here help highlight the changes Bakers Union - 2Q2020 has experience period over period.

- Eligibility has decreased by -33.
- Number of utilizers has decreased by -38.

Total Rx's

CURRENT

4,275

PREVIOUS

4,464

PERCENT CHANGE

-4.2%

Total plan paid

CURRENT

\$557,034

PREVIOUS

\$532,904

PERCENT CHANGE

4.5%

Utilizers

CURRENT

383

PREVIOUS

421

PERCENT CHANGE

-9.0%

Key Statistics with Benchmark Comparison

Your benchmark comparison

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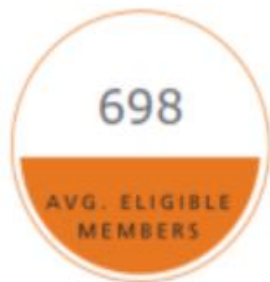
Comparing metrics to benchmarks help showcase areas of focus.

- Client trend was 9.5%, compared to the benchmark trend of 5.3%
- Member Paid Share changed by -10.0% period over period, compared to the benchmark of -3.8%

Key statistics				Benchmark	
	Current	Previous	Percent change	Current	Percent change
Average age	41.5	41.1	0.9%	38.0	-1.0%
Plan paid PMPM	\$132.91	\$121.36	9.5%	\$85.59	5.3%
Plan paid per Rx	\$130.30	\$119.38	9.1%	\$120.63	8.3%
Rxs PMPM	1.02	1.02	0.3%	0.71	-2.7%
Average days supply	27.0	26.7	1.1%	39.4	6.4%
Days supply PMPM	27.6	27.2	1.4%	27.9	3.5%
Member paid share	7.2%	8.0%	-10.0%	9.2%	-3.8%
Member paid per Rx	\$11.22	\$11.62	-3.5%	\$9.29	0.3%
Generic dispensing rate	85.0%	84.9%	0.1%	86.7%	0.9%
Home delivery rate	1.1%	1.2%	-8.3%	9.3%	3.4%
Retail 90 rate	0.3%	0.2%	50.0%	14.3%	20.0%
Percent of specialty plan paid	43.4%	38.2%	13.6%	34.5%	13.9%

Key Specialty Statistics

Client totals



The key metrics here help highlight the changes Bakers Union - 2Q2020 has experience period over period.

- Eligibility has decreased by -33.
- Number of utilizers has increased by 3.

Total Rx's

CURRENT

38

PREVIOUS

30

PERCENT CHANGE

26.7%

Total plan paid

CURRENT

\$241,859

PREVIOUS

\$203,634

PERCENT CHANGE

18.8%

Utilizers

CURRENT

11

PREVIOUS

8

PERCENT CHANGE

37.5%

Key Specialty Statistics with Benchmark Comparison

Your benchmark comparison

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Comparing metrics to benchmarks help showcase areas of focus.

- Client trend was 24.4%, compared to the benchmark trend of 20.0%
- Member Paid Share changed by -77.8% period over period, compared to the benchmark of -10.2%

Key statistics				Benchmark	
	Current	Previous	Percent change	Current	Percent change
Average age	41.5	41.1	0.9%	38.0	-1.0%
Plan paid PMPM	\$57.71	\$46.38	24.4%	\$29.52	20.0%
Plan paid per Rx	\$6,364.71	\$6,787.80	-6.2%	\$5,186.94	8.6%
Rxs PMPM	0.009	0.007	28.6%	0.006	10.5%
Average days supply	30.1	29.2	2.9%	32.3	3.8%
Days supply PMPM	0.3	0.2	36.7%	0.2	14.7%
Member paid share	0.2%	0.9%	-77.8%	3.5%	-10.2%
Member paid per Rx	\$14.71	\$65.28	-77.5%	\$176.87	6.7%
Generic dispensing rate	5.3%	0.0%	0.0%	31.6%	-7.3%
Home delivery rate	0.0%	0.0%	0.0%	1.2%	-9.0%
Retail 90 rate	2.6%	0.0%	0.0%	5.5%	29.0%

Trend Summary

Your benchmark comparison

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Trend

Plan paid PMPM has increased 9.5% over the previous period driven primarily by drug mix in traditional and utilization for specialty.

Specialty represents 0.9% of claims.



+4.2% over benchmark



+1.3% over benchmark



+4.4% over benchmark

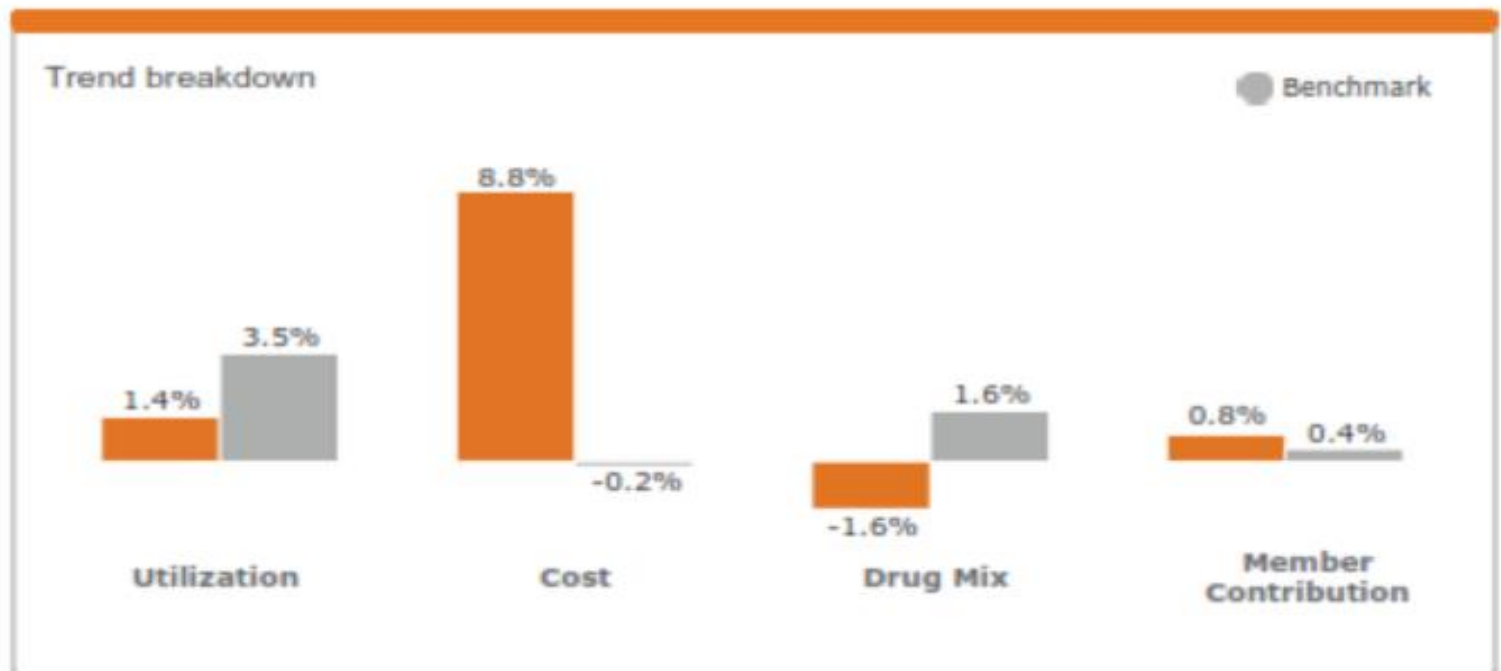
Total Trend Components

Your benchmark comparison

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Total trend: 9.5%

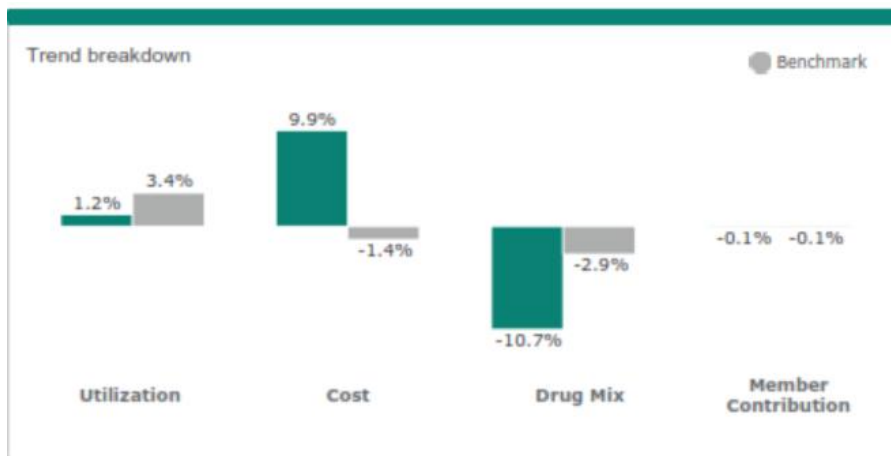
- Bakers Union - 2Q2020's overall trend of 9.5% was 4.2% higher than benchmark
- Specialty spend influenced the trend contributing 98.1% (-15.3% lower than benchmark)
- Traditional trend contributed 1.9% (15.3% higher than benchmark)



Traditional vs. Specialty Trend Components

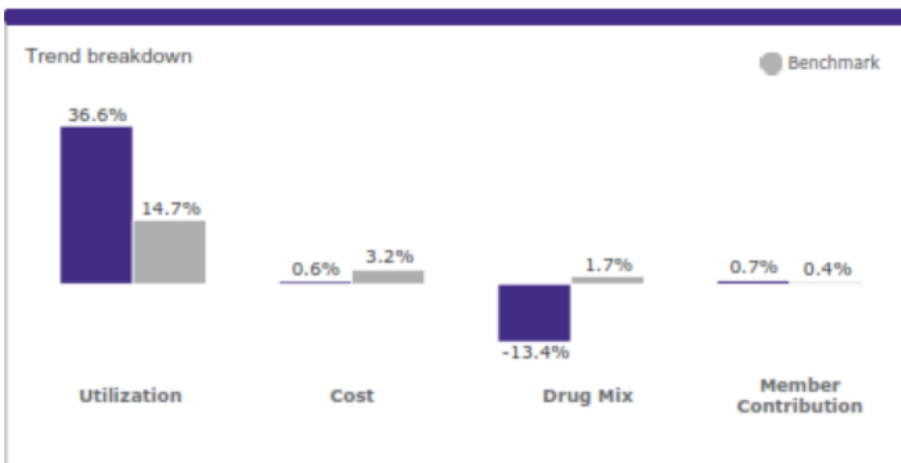
Traditional trend: 0.3%

- Traditional trend contributed 1.9% to the overall trend (9.5%)
- Traditional accounts for 56.6% of overall total plan paid and was down from 61.8% in the prior period



Specialty trend: 24.4%

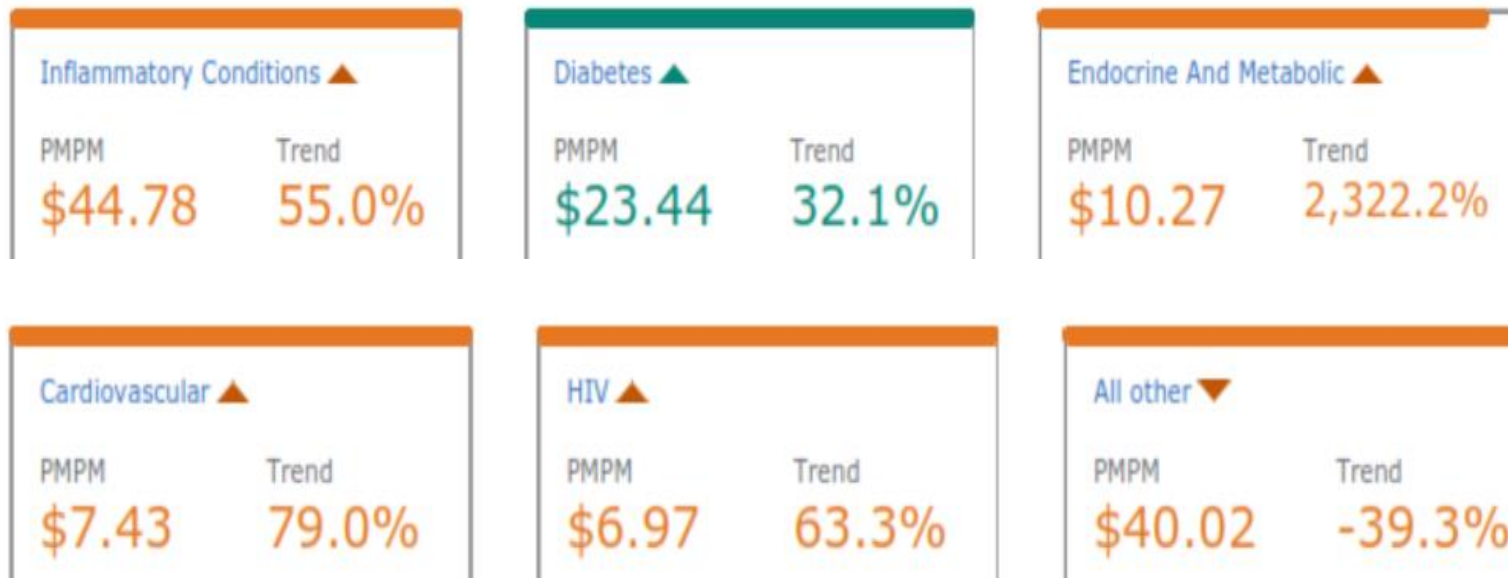
- Specialty trend contributed 98.1% to the overall trend (9.5%)
- Specialty accounts for 43.4% of overall total plan paid and was up from 38.2% in the prior period



Top Disease States

Top 5 disease states account for 70% of total Plan Paid

- Inflammatory Conditions accounts for 33.7% of total plan paid, with trend driven by Utilization. HUMIRA PEN was the top drug
- Diabetes accounts for 17.6% of total plan paid, with trend driven by Cost. HUMALOG MIX 50/50 KWIKPEN was the top drug



Top 20 Drugs

Rank		Trend components												
Cu	Pv	Drug name	Therapy class	Utilzr	Total plan paid	Curr PMPM	Prev PMPM	BOB PMPM	% Trend	Utilzn	Drug mix	Cost	Mbr contrb	
1	6	HUMIRA PEN	Chronic Inflammatory Disease	2	\$69,038	\$16.47	\$4.89	\$3.63	236.7%	214.3%	0.0%	22.6%	-0.3%	
2	N/A	SUPPRELIN LA	LHRH/GNRH Agonist/Antagonists	1	\$40,631	\$9.69	\$0.00	\$0.01	0.0%	0.0%	0.0%	0.0%	0.0%	
3	3	TREMFYA	Chronic Inflammatory Disease	1	\$34,876	\$8.32	\$7.69	\$0.37	8.2%	4.8%	0.0%	3.4%	0.0%	
4	4	OTEZLA	Chronic Inflammatory Disease	2	\$33,218	\$7.93	\$6.40	\$0.68	23.9%	17.9%	0.0%	6.0%	0.0%	
5	5	SIMPONI ARIA	Chronic Inflammatory Disease	1	\$30,854	\$7.36	\$5.08	\$0.02	44.8%	39.7%	0.0%	5.1%	0.0%	
6	7	STRIBILD	HIV-Multiclass Combo	1	\$19,957	\$4.76	\$3.43	\$0.09	38.9%	25.7%	0.0%	13.1%	0.1%	
7	N/A	DUPIXENT	Chronic Inflammatory Disease	1	\$19,616	\$4.68	\$0.00	\$0.64	0.0%	0.0%	0.0%	0.0%	0.0%	
8	1	IBRANCE	Oncology	1	\$13,132	\$3.13	\$16.95	\$0.65	-81.5%	-82.5%	0.0%	1.0%	0.0%	
9	13	HUMALOG MIX 50/ 50 KWIKPEN	Insulin	2	\$12,136	\$2.90	\$1.97	\$0.01	46.7%	55.0%	-5.2%	-2.9%	-0.1%	
10	11	VICTOZA	GLP-1 Receptor Agonists	2	\$10,364	\$2.47	\$2.04	\$0.83	21.1%	15.2%	0.0%	5.8%	0.1%	
11	14	JANUVIA	DPP-4 Inhibitors & Combos	5	\$9,141	\$2.18	\$1.77	\$1.40	23.2%	17.4%	0.0%	5.8%	0.0%	
12	24	HUMULIN R U-500 (CONCENTRATED)	Insulin	1	\$8,729	\$2.08	\$0.99	\$0.04	109.5%	109.5%	0.0%	0.0%	0.0%	
13	18	JARDIANCE	SGLT-2 Inhibitors & Combos	4	\$7,031	\$1.68	\$1.29	\$1.33	29.8%	22.2%	0.0%	7.4%	0.2%	
14	19	REXULTI	Atypical Antipsychotics	1	\$7,021	\$1.68	\$1.28	\$0.15	30.4%	22.2%	0.0%	4.0%	4.1%	
15	16	SYMBICORT	Inhaled Asthma/COPD Combo	6	\$6,934	\$1.65	\$1.35	\$0.78	22.7%	23.1%	0.0%	-0.4%	0.0%	
16	96	LANTUS	Insulin	1	\$6,611	\$1.58	\$0.19	\$0.25	752.0%	109.5%	0.0%	637.0%	5.5%	
17	28	BREO ELLIPTA	Inhaled Asthma/COPD Combo	5	\$6,351	\$1.52	\$0.72	\$0.53	110.0%	99.1%	0.7%	8.5%	1.7%	
18	N/A	TRUVADA	HIV-Multiclass Combo	1	\$6,191	\$1.48	\$0.00	\$0.52	0.0%	0.0%	0.0%	0.0%	0.0%	
19	40	JANUMET XR	DPP-4 Inhibitors & Combos	2	\$5,446	\$1.30	\$0.59	\$0.21	120.2%	109.5%	0.0%	10.5%	0.2%	
20	17	INVOKANA	SGLT-2 Inhibitors & Combos	2	\$5,435	\$1.30	\$1.30	\$0.53	0.0%	-4.0%	0.0%	3.8%	0.1%	

Top 20 Traditional Drugs

Rank				Trend components									
Cu	Pv	Drug name	Therapy class	Utilzr	Total plan paid	Curr PMPM	Prev PMPM	BOB PMPM	% Trend	Utilzn	Drug mix	Cost	Mbr contrb
1	2	STRIBILD	HIV-Multiclass Combo	1	\$19,957	\$4.76	\$3.43	\$0.09	38.9%	25.7%	0.0%	13.1%	0.1%
2	6	HUMALOG MIX 50/ 50 KWIKPEN	Insulin	2	\$12,136	\$2.90	\$1.97	\$0.01	46.7%	55.0%	-5.2%	-2.9%	-0.1%
3	4	VICTOZA	GLP-1 Receptor Agonists	2	\$10,364	\$2.47	\$2.04	\$0.83	21.1%	15.2%	0.0%	5.8%	0.1%
4	7	JANUVIA	DPP-4 Inhibitors & Combos	5	\$9,141	\$2.18	\$1.77	\$1.40	23.2%	17.4%	0.0%	5.8%	0.0%
5	17	HUMULIN R U-500 (CONCENTRATED)	Insulin	1	\$8,729	\$2.08	\$0.99	\$0.04	109.5%	109.5%	0.0%	0.0%	0.0%
6	11	JARDIANCE	SGLT-2 Inhibitors & Combos	4	\$7,031	\$1.68	\$1.29	\$1.33	29.8%	22.2%	0.0%	7.4%	0.2%
7	12	REXULTI	Atypical Antipsychotics	1	\$7,021	\$1.68	\$1.28	\$0.15	30.4%	22.2%	0.0%	4.0%	4.1%
8	9	SYMBICORT	Inhaled Asthma/COPD Combo	6	\$6,934	\$1.65	\$1.35	\$0.78	22.7%	23.1%	0.0%	-0.4%	0.0%
9	87	LANTUS	Insulin	1	\$6,611	\$1.58	\$0.19	\$0.25	752.0%	109.5%	0.0%	637.0%	5.5%
10	21	BREO ELLIPTA	Inhaled Asthma/COPD Combo	5	\$6,351	\$1.52	\$0.72	\$0.53	110.0%	99.1%	0.7%	8.5%	1.7%
11	N/A	TRUVADA	HIV-Multiclass Combo	1	\$6,191	\$1.48	\$0.00	\$0.52	0.0%	0.0%	0.0%	0.0%	0.0%
12	33	JANUMET XR	DPP-4 Inhibitors & Combos	2	\$5,446	\$1.30	\$0.59	\$0.21	120.2%	109.5%	0.0%	10.5%	0.2%
13	10	INVOKANA	SGLT-2 Inhibitors & Combos	2	\$5,435	\$1.30	\$1.30	\$0.53	0.0%	-4.0%	0.0%	3.8%	0.1%
14	73	ENTRESTO	Angiotensin II Receptor & Neprilysin Inhibitor (ARNI)	2	\$4,684	\$1.12	\$0.22	\$0.36	401.6%	371.5%	0.0%	30.0%	0.2%
15	18	DEXILANT	Proton Pump Inhibitors	3	\$4,588	\$1.09	\$0.99	\$0.28	10.6%	4.8%	0.0%	3.1%	2.7%
16	5	ABSORICA	Acne Products	1	\$4,492	\$1.07	\$2.03	\$0.05	-47.3%	-47.6%	0.0%	-0.3%	0.7%
17	41	BYDUREON BCISE	GLP-1 Receptor Agonists	1	\$4,189	\$1.00	\$0.46	\$0.19	116.0%	109.5%	0.0%	6.3%	0.1%
18	8	JANUMET	DPP-4 Inhibitors & Combos	2	\$4,084	\$0.97	\$1.38	\$0.64	-29.2%	-32.6%	0.0%	3.3%	0.2%
19	14	LANTUS SOLOSTAR	Insulin	3	\$3,546	\$0.85	\$1.19	\$1.04	-28.9%	-40.4%	0.0%	9.7%	1.9%
20	34	ELIQUIS	Oral Anticoagulants	2	\$3,409	\$0.81	\$0.58	\$1.62	40.1%	28.1%	0.0%	12.0%	0.0%

Top 20 Specialty Drugs

Rank		Trend components											
Cu	Pv	Drug name	Therapy class	Utilzr	Total plan paid	Curr PMPM	Prev PMPM	BOB PMPM	% Trend	Utilzn	Drug mix	Cost	Mbr contrb
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2	N/A	SUPPRELIN LA	LHRH/GNRH Agonist/Antagonists	1	\$40,631	\$9.69	\$0.00	\$0.01	0.0%	0.0%	0.0%	0.0%	0.0%
3	2	TREMFYA	Chronic Inflammatory Disease	1	\$34,876	\$8.32	\$7.69	\$0.37	8.2%	4.8%	0.0%	3.4%	0.0%
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6	N/A	DUPIXENT	Chronic Inflammatory Disease	1	\$19,616	\$4.68	\$0.00	\$0.64	0.0%	0.0%	0.0%	0.0%	0.0%
7	1	IBRANCE	Oncology	1	\$13,132	\$3.13	\$16.95	\$0.65	-81.5%	-82.5%	0.0%	1.0%	0.0%
8	N/A	MYCOPHENOLATE MOFETIL	Transplant	1	\$431	\$0.10	\$0.00	\$0.13	0.0%	0.0%	0.0%	0.0%	0.0%
9	N/A	ENOXAPARIN SODIUM	Injectable Anticoagulants	1	\$65	\$0.02	\$0.00	\$0.03	0.0%	0.0%	0.0%	0.0%	0.0%

Vigilant Drug Program Outcomes

July 2019 – June 2020

Total program savings: \$8.38 PMPM

Vigilant Drug Outcomes – Cost Avoidance

By leveraging the Vigilant Drug Program, Bakers Union - 2Q2020 has:

- Avoided \$74.2K in pharmacy spend
- Switched 10 claims to lower cost alternatives
- 35 claims were abandoned

TOTAL PLAN PAID SAVINGS

\$74,210

TOTAL PROGRAM SAVINGS

13.3%

TOTAL MEMBERS IMPACTED

42

Me Too Drugs

PMPM SAVINGS

\$6.92

NUMBER OF MEMBERS IMPACTED

10

NUMBER OF INTERVENTIONS

11

Non-FDA Approved Drugs

PMPM SAVINGS

\$0.41

NUMBER OF MEMBERS IMPACTED

15

NUMBER OF INTERVENTIONS

17

High Cost Brands with Generics

PMPM SAVINGS

\$0.39

NUMBER OF MEMBERS IMPACTED

2

NUMBER OF INTERVENTIONS

2

High Cost Generics

PMPM SAVINGS

\$0.35

NUMBER OF MEMBERS IMPACTED

11

NUMBER OF INTERVENTIONS

11

Creams & Patches

PMPM SAVINGS

\$0.30

NUMBER OF MEMBERS IMPACTED

4

NUMBER OF INTERVENTIONS

6

Vigilant Drug Program Outcomes

July 2019 – June 2020

CLINICAL QUALITY EXCLUSIONS

- **New Drugs to Market:** Newly launched products pending formal Pharmacy Therapeutics Committee (P&T) review
- **Me Too:** New medications with no unique chemical composition or clinical advantages
- **Non-Essential:** Non-FDA approved products and others deemed clinically unnecessary

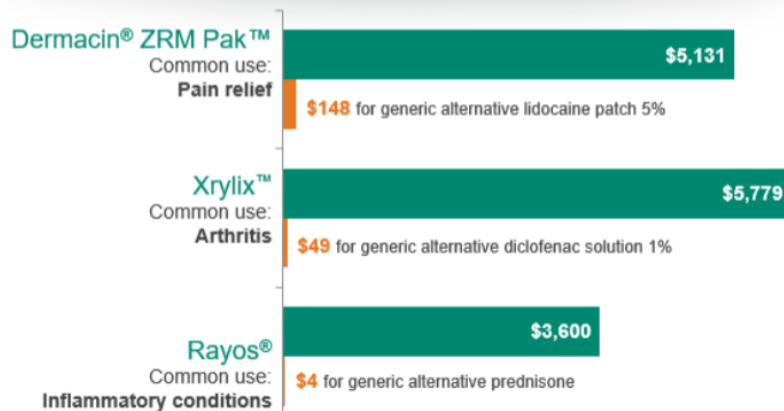
COST-SAVING EXCLUSIONS

- **High-Cost Brands with Generics:** Brands that have lost patent protection
- **High-Cost Generics:** Generic drugs priced substantially higher than other generics in the same class
- **Medical Benefit Specialty:** Costly infused specialty products generally covered under medical benefits

POINT OF SERVICE EDITS

- **Third-party edits:** Excludes items typically not covered under a pharmacy benefit (e.g. cosmetic and homeopathic medications, surgical supplies, durable medical equipment)
- **Drug attribute edits:** Excludes products with select routes of administration and dosage forms
- **Drug efficacy study implementation edits (DESI):** Screens older non-FDA approved products
- **Over-the-counter product edits:** Excludes products available without a prescription

Me Too and Non-Essential strategies can uncover unnecessary spend and **drive use of covered formulary alternatives:**



High-Cost Generics and High-Cost Brands with Generics exclusion strategies **promote the use of lower-cost generic options**

