Health Care Trust Members Band Together to Lower Prescription Drug Costs and Increase Benefits.

A health care trust made up of religious organizations turned to Prescription Solutions to control the rising cost of its prescription drug plan. The result was a match made in heaven. By instituting a preferred mail order program for maintenance drugs and a second program designed to increase utilization of generic medications, the Trust realized significant savings without reducing benefit levels.

Customer Description
• Type: Health Care Trust
• Size: 30,000 lives
• Enrollee Growth Rate: 10% per year

Situation
Faced with continually rising healthcare costs, administrators of the Trust asked Prescription Solutions to recommend new ways to lower prescription drug expenses while maintaining a high level of benefits.

Solution
After thoroughly reviewing the Trust’s prescription drug usage, Prescription Solutions recommended two programs to help the organization better manage utilization while reducing costs. Implementation of the following two programs resulted in a negative cost trend for the Trust:

Preferred Mail Service Program for maintenance medications delivers overall savings of 4 to 6 percent

The Prescription Solutions Preferred Mail Service Program is a customized, targeted outreach educating members on the benefits and cost savings associated with mail order. The program emphasizes member choice by allowing individuals the option of filling maintenance prescriptions at the local retail pharmacy or the mail order pharmacy. In addition, it offers financial incentives for the use of mail order. The incentives begin on the fourth refill whereas the member’s copay in the retail pharmacy increases to equal the mail order copay. It is important to note that the parameters of our preferred mail service program are flexible and can be customized to meet client specific goals.

About Prescription Solutions
Prescription Solutions is a leading provider of pharmacy and medical management services to employer groups, managed care organizations (MCOs), union trusts and third party administrators (TPAs) nationwide. Our clients benefit from a variety of comprehensive clinical services, core electronic claims processing, complex case review and specialty pharmacy that enable us to promote appropriate utilization while managing pharmacy trends and costs.
Generic Copay Waiver Program

In general, a one percent increase in generic utilization translates into a 1.7 percent savings in total costs.

During the four months prior to launching the Generic Copay Waiver Program for the Trust, we identified members who filled a prescription for one of a selection of brand-name drugs. A customized, targeted member communication was utilized to educate member of the benefits and cost savings associated with the use of generic medication. In addition, members were provided a financial incentive to switch to the generic equivalent for the selected medications. The benefit offered by the Trust was to waive the members copay associated with the generic equivalent for a period of 90 days (mail or retail).

Note: The Prescription Solutions Generic Copay Waiver Program is utilized to not only encourage generic drug utilization, but it also can be used as an incentive to promote participation in corporate wellness programs.

Results

The Trust quickly saw positive bottom-line results from the implementation of these two cost-savings programs:

• Approximately $31,000/month ($372,000/year) in total savings
• Mail Service utilization increased nearly 12 percent

The savings generated by the Trust’s use of mail service and generic drugs will continue month after month, all year long. For organizations that have not yet joined the Trust, these documented savings demonstrate both Prescription Solutions and the Trust’s commitment to containing costs while keeping benefit levels high.

<table>
<thead>
<tr>
<th>Cost Savings (approx.)</th>
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<tbody>
<tr>
<td>3rd Quarter 2007</td>
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<tr>
<td>$32.61 / member</td>
</tr>
<tr>
<td>3rd Quarter 2008</td>
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<tr>
<td>$31.58 / member</td>
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<tr>
<td>Total savings:</td>
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<tr>
<td>3.15% per month</td>
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<td>(approx: $372,000 / year)</td>
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For more information about these programs and to discuss potential pharmacy benefit savings, please call us at 1.877.309.5345 or visit www.PrescriptionSolutions.com.

What Does This Client Have To Say?

“The results have been outstanding. Our mail service utilization has increased nearly 12 percent since we implemented the Preferred Mail Service Program, resulting in a savings of 4 percent off total costs.”

— Trust administrator