

# It's time for more

## FROM YOUR PHARMACY COVERAGE

Don't think of your company's pharmacy coverage separately. Behind every pill is a larger medical problem.

Blue Cross Blue Shield of Michigan is uniquely suited to give you the best all-in-one health care coverage package for your employees. Combine the expertise and value of Blue Cross' pharmacy coverage with the strength you depend on for medical coverage, and your health plan gets even better.

**It's time for more.** Combine your medical and pharmacy benefits through Blue Cross to give you and your employees:



Confidence comes with every card.®

IMPROVED HEALTH

BETTER CUSTOMER VALUE

CREATIVE SOLUTIONS

When you carve your pharmacy benefits out of your health care plan, your pharmacy benefit manager only looks at part of your health care needs and costs. Blue Cross gives you a holistic view through coordinated medical and pharmacy benefits, medical and pharmacy drug management programs, care management, data analysis to improve care, wellness programs and member tools.

And we've improved our generic and brand-name prescription drug discounts to make our pharmacy coverage an even better value for our customers. It's pharmacy coverage as it should be.

### IMPROVED HEALTH

Real-time analysis of medical and pharmacy data together enables Blue Cross to help your employees get better care.

#### What we do:

- Care management to analyze data and coordinate care, reconcile medications prescribed and better identify members in need, for all customer groups
- Data analysis and sharing with health care providers to identify gaps in care
- Medication management
- Safety checks for drug interactions
- Prior authorization and step therapy to ensure effectiveness, safety and cost containment
- Evaluation of the right place and right type of medicine across both pharmacy and medical benefits
- Opioid management
- Medication adherence solutions to encourage members to take their medicines as prescribed

Blue Cross is twice as likely to identify members with high-impact cases when medical and pharmacy coverage are combined.



Results:

63% DECREASE

in prescriptions\*

78% DECREASE

in long-acting oxycodone and oxymorphone use\*

81% DECREASE

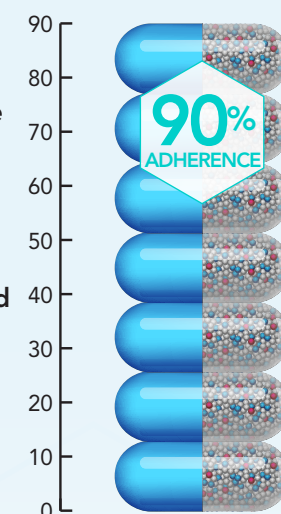
in fentanyl products dispensed\*

70% DECREASE

in opioid pills dispensed

\*From 2012 through 2019

Percent of pharmacy members taking expensive specialty drugs to treat cancer, multiple sclerosis, hepatitis C and inflammatory conditions who follow their prescribed medication therapy:



Blue Cross and BCN decreased average first fill for opioids for commercial members

ALMOST 7 DAYS TO LESS THAN 4 DAYS



### Case study

#### PRIOR AUTHORIZATION ENSURES SAFETY

A Blue Cross prior authorization pharmacist caught a dosing error that could have been fatal for an infant. The baby needed a specialty drug, Acthar® gel, to treat seizures. The case met prior authorization criteria. But the pharmacist noticed the doctor had mistakenly written the prescription for 400 units a day instead of 48. She called the doctor, who agreed, and the prescription was corrected. The baby received the right — and safe — amount of medicine.

The extra medication also would have cost an additional \$537,000 for this specialty drug.



## Rx Case study

### PRIOR AUTHORIZATION SAVES THOUSANDS

Asthma medicine Xolair® costs \$47,853 per patient each year. This drug requires prior authorization, to ensure that members are trying a lower-cost alternative that has the same health benefits. The new drug pharmacists recommend when they review the cases costs only \$2,468 per patient each year. That's a savings of \$45,385 per patient every year.



## Rx Case study

### INFUSION PROGRAM OFFERS SAVINGS, CONVENIENCE

Our infusion site of care program is moving infusions of certain specialty drugs from outpatient hospitals to lower-cost sites of care. The average cost for a hospital outpatient infusion is \$9,600. The average cost in other settings is only \$4,500.

The change saves money, but it gives members high-quality care conveniently, in the comfort of their homes, eliminating transportation and parking hassles and the possibilities for exposure to illnesses for compromised patients.

One member told us, "This is an amazing thing for us. ... Our family loves home infusion." Her middle school-age son needed to get up early for his hospital infusions, and then spend 90 minutes getting to school from there. Now, he can sleep later and nap or eat breakfast during his infusion, and he misses less school.

## BETTER CUSTOMER VALUE

Blue Cross manages drug utilization overall, across both pharmacy and medical benefits, and continues to work with its vendors to provide savings on drug costs for customers.

### What we do:

- Robust prior authorization and step therapy criteria
- Electronic prior authorization for drugs requiring it, improving efficiency and response times
- Required high-cost specialty and off-label drug reviews
- Expansive site of care program for infusion medications
- Effective medical drug management across multiple diseases
- Proven and aggressive fraud, waste and abuse programs
- Highly effective specialty drug management
- Increased rebates, while maintaining our commitment to lowest net cost
- Improved pricing on brand-name and generic prescription drugs

### Results:

CUSTOMERS MAY SAVE UP TO **7.5%** ON MEDICAL CLAIMS



The savings comes from better management of chronic conditions like chronic obstructive pulmonary disease, coronary artery disease, congestive heart failure, asthma, depression, diabetes and hypertension.\*

\*According to independent studies

**542%** IMPROVEMENT  
in drug rebates for customers expected from 2016 to 2021

**5%-6%** AVERAGE COST REDUCTION FOR MEDICAL DRUGS

Drug management now includes more than 70 medical drugs.

**\$310 MILLION** UTILIZATION MANAGEMENT PROGRAMS SAVINGS IN 2019

**2.15%** DECREASE  
New Blue Cross pricing includes deeper discounts on drugs: in average pharmacy allowed-amount cost trends

**\$5.84 MILLION** TOTAL ANNUALIZED SAVINGS FROM BRAND-TO-GENERIC SPECIALTY DRUG MANAGEMENT IN 2019

PREScription DRUG MANAGEMENT PROGRAMS WILL CREATE ANNUAL SAVINGS OF **\$48.3 MILLION** OR **\$2.02 PER CONTRACT PER MONTH** BY THE END OF 2020

Pharmacy is the most widely used benefit. We make managing health care easier for members with one card for all care — and all the benefits that come with it.

### What we do:

- One out-of-pocket maximum
- One deductible
- One online member account and password
- One customer service team
- One welcome experience
- Simple and convenient mail-order and 90-day retail service
- Large national pharmacy network

### Results:

Our members have spoken for us. They ranked Blue Cross first in member satisfaction among Michigan commercial health care plans in the 2020 and 2018 J.D. Power surveys.

## CREATIVE SOLUTIONS

Blue Cross is creating innovative solutions to help group customers manage pharmacy costs and help members afford their medicine and stay healthier.

### CIVICA RX

A partnership with Civica Rx and 17 other Blue plans will develop lower cost generic drugs for distribution starting in early 2022.

### MEDICATION ADHERENCE

We added new medication adherence programs in 2020 to improve member health, ultimately lowering medical and drug costs. The programs encourage members to follow their medication therapy as their doctors prescribed.

- **Drug Adherence Discount Program, powered by Sempre Health**  
Members receive bigger discounts each time they refill their prescriptions on time for certain medicines treating chronic conditions. In the first year of this program, participating members saved a combined total of **\$1.8 million**.
- **High-Cost Drug Discount Optimization Program, powered by PillarRx**  
Members benefit from maximized manufacturer copay assistance programs on specialty and other high-cost drugs. Self-funded group customers save an estimated 25% on the cost of the more than 300 drugs included in the program. That averages about 10% off their total prescription drug costs.

Blue Cross' robust pharmacy programs balance cost with care.

### What we do:

- Solutions in four critical areas to help group customers and members:
  - Drug list management
  - Utilization management
  - Specialty pharmacy care
  - Medication adherence
- Cellular and Gene Therapies Management Program
- One point of contact for all your health benefits
- Easier plan administration
- Fewer vendors to manage
- Outstanding customer experience for your employees
- Unparalleled pharmacy and clinical expertise
- Benefit structure options
- Competitive rebates
- Large national pharmacy network
- Drug pipeline monitoring for high-cost therapies
- Improved pricing

## CELLULAR AND GENE THERAPIES MANAGEMENT PROGRAM

We use a multi-disciplined approach to manage these drugs that can range in cost from \$100,000 to \$3 million for one treatment. The result is providing access to life-changing care for members while protecting group customers from unexpected high costs.

Here's how we do it:

- Closely monitor the drug pipeline
- Proactively manage costs through manufacturer and provider negotiations
- Continuously develop medical policies and guidelines
- Provide pathways for personal member experiences and care
- Include cellular and gene therapies in stop-loss coverage

For more information, check out [bcbsmpharmacy.com](https://bcbsmpharmacy.com).