



FACT SHEET: 2009 Physician Group Incentive Program Pharmacy Initiative: Increasing the use of Generics Drug Updated for 2009

Initiative Overview

The goal of the pharmacy initiative is to reduce pharmacy drug costs by increasing the rate of generic and over the counter drug prescriptions.

Objectives

- Encourage physicians to prescribe generic drugs as an alternative to brand name drug prescriptions
- Encourage physicians to prescribe lower cost alternatives such as over the counter medications and low cost brands when no generic drug is available
- Reduce cost by:
 - Lowering the average cost per prescription on select drugs
 - Expanding the drug selection to include a greater number of *low cost* brand name drugs, when only brand name drugs are available in a specific category of medication
 - Increasing the use of low cost medications

Incentive Design

Incentive payments are based on participation and performance, with increasing weight given to performance over time:

Participation:

- Completed progress report

Performance:

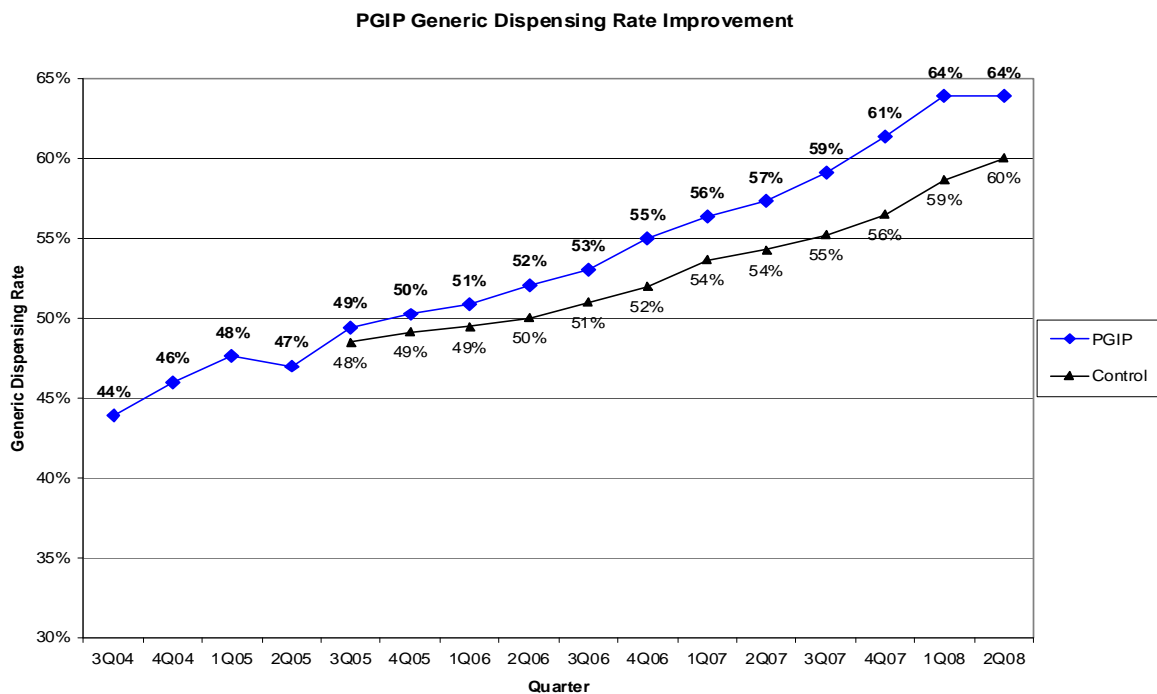
- Performance improvement is evaluated by:
 - Comparing the generic dispensing rate (GDR) to past performance
 - Comparing performance against the ABC benchmark

Metrics

Generic Dispensing Rate will be calculated by comparing the percentage of prescribed generic medications against the total number of prescribed medications. The status of a generic drug will be determined by referencing the First Data Bank files. Over the Counter (OTC) medications that are covered by a prescription plan will be counted as generic prescriptions.

Results

PGIP GDR Improvement



Initiative Launched: 2008 Ref# SF-08-02 Version 2.0