



An NFP Company



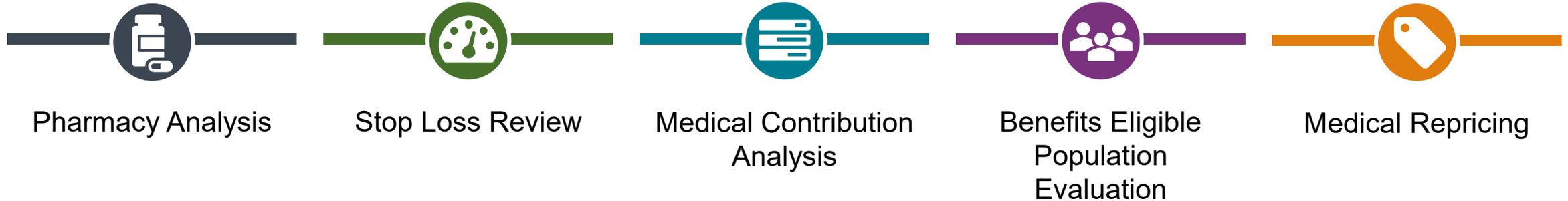
Cost Containment Strategy Project

Pharmacy Analysis

City of Jacksonville



Scope of Work Projects



Goals of Engagement

Ensure optimal efficiency and effectiveness of the self-funded health plan
Verify that implemented plans align with the organization's goals

Prescription Data Summary



Pharmacy Performance Metrics

- Gross cost PMPM is \$314.83
- Specialty gross cost PMPM is \$165.58
- COJ is spending 2.5% more in plan cost for every 1% of Generic Fill Rate not achieved

City of Jacksonville	
Description	10-24 - 9-25
Avg Members per Month	6,037
Number of Unique Patients	5,017
Pct Members Utilizing Benefit	83.1%
Total Gross Cost	\$22,807,287
Total Days	3,692,922
Total Rxs	78,519
Gross Cost PMPM	\$314.83
Gross Cost/Day	\$6.18
Gross Cost per Rx	\$290.47
Nbr Rxs PMPM	1.08
Generic Fill Rate	83.9%
90 Day Utilization	66.8%
Retail - Maintenance 90 Utilization	66.0%
Home Delivery Utilization	0.8%
Member Cost %	6.5%
Specialty Percent of Gross Cost	52.6%
Specialty Gross Cost PMPM	\$165.58
Formulary Compliance Rate	96.5%

Peer 1	
10-24 - 9-25	
Gross Cost PMPM	\$249.78
Gross Cost/Day	\$6.15
Gross Cost per Rx	\$263.08
Nbr Rxs PMPM	0.95
Generic Fill Rate	85.9%
90 Day Utilization	62.1%
Retail - Maintenance 90 Utilization	34.0%
Home Delivery Utilization	28.2%
Member Cost %	9.3%
Specialty Percent of Gross Cost	49.1%
Specialty Gross Cost PMPM	\$122.59
Formulary Compliance Rate	98.5%

Peer 1 - Midmarket Employer market segment

Performance Metrics - Specialty

- COJ's specialty gross cost PMPM is \$42.99 higher than peer data
- COJ has 232 unique specialty patients

City of Jacksonville			
Description	All Drugs	Non-Specialty	Specialty
Avg Members per Month	6,037	6,037	6,037
Number of Unique Patients	5,017	5,004	232
Pct Members Utilizing Benefit	83.1%	82.9%	3.8%
Total Gross Cost	\$22,807,287	\$10,811,911	\$11,995,377
Total Days	3,692,922	3,637,422	55,510
Total Rxs	78,519	76,873	1,646
Gross Cost PMPM	\$314.83	\$149.25	\$165.58
Gross Cost/Day	\$6.18	\$2.97	\$216.09
Gross Cost per Rx	\$290.47	\$140.65	\$7,471.46
Member Cost %	6.5%	11.9%	1.6%

Specialty Peer 1
\$122.59
\$189.45
\$7,471.46
8.2%

Peer 1 - Midmarket Employer market segment

Top 10 Indications

- Diabetes represents almost \$5.8M or 25.3% of the total gross cost
- Top 10 indications represent 78.2% of the total gross cost

Top Indications by Gross Cost								
10-24 - 9-25								
Rank	Peer Rank	Indication	Rxs	Patients	Gross Cost	Generic Fill Rate	Gross Cost PMPM	
1	2	DIABETES	8358	949	\$5,779,705	21.5%	\$79.78	
2	1	INFLAMMATORY CONDITIONS	625	100	\$4,948,329	24.6%	\$68.31	
3	6	HIV	386	58	\$1,724,796	5.7%	\$23.81	
4	3	CANCER	345	87	\$1,347,972	81.7%	\$18.61	
5	29	HEMOPHILIA	25	1	\$1,176,532	0.0%	\$16.24	
6	5	ATOPIC DERMATITIS	981	509	\$823,096	80.1%	\$11.36	
7	7	ANTICOAGULANT	731	173	\$555,715	16.0%	\$7.67	
8	8	MIGRAINE HEADACHES	729	184	\$553,113	44.6%	\$7.64	
9	25	PULMONARY HYPERTENSION	41	2	\$521,118	41.5%	\$7.19	
10	10	MULTIPLE SCLEROSIS	57	7	\$402,838	36.8%	\$5.56	
Total Top 10:			12278		\$17,833,214	28.7%	\$246.17	

Top 10 Specialty Indications

- Inflammatory conditions represent \$4.8M or 40.7% of the total specialty gross cost
- Hemophilia has a large impact on the specialty spend

Top Specialty Indications by Gross Cost							
10-24 - 9-25							
Overall Rank	Overall Peer Rank	Indication	Rxs	Patients	Gross Cost	Gross Cost PMPM	
2	1	INFLAMMATORY CONDITIONS	452	67	\$4,887,735	\$67.47	
3	6	HIV	386	58	\$1,724,796	\$23.81	
4	3	CANCER	99	16	\$1,341,850	\$18.52	
5	29	HEMOPHILIA	25	1	\$1,176,532	\$16.24	
6	5	ATOPIC DERMATITIS	187	24	\$776,911	\$10.72	
9	25	PULMONARY HYPERTENSION	41	2	\$521,118	\$7.19	
10	10	MULTIPLE SCLEROSIS	57	7	\$402,838	\$5.56	
11	13	CYSTIC FIBROSIS	14	1	\$336,803	\$4.65	
20	21	GROWTH DEFICIENCY	57	5	\$164,192	\$2.27	
21	38	BLOOD CELL DEFICIENCY	15	2	\$161,581	\$2.23	
Total Top 10:			1,333		\$11,494,356	\$158.67	

Top 25 Drugs

- Top 25 drugs represent 57.1% of your total gross cost

Top Drugs by Gross Cost								
10-24 - 9-25								
Rank	Peer Rank	Brand Name	Indication	Rxs	Pts.	Gross Cost	Gross Cost	Peer Gross Cost PMPM
1	1	MOUNJARO	DIABETES	1,643	248	\$1,841,311	\$25.42	\$13.58
2	3	OZEMPIC	DIABETES	1,256	224	\$1,415,245	\$19.54	\$10.49
3	321	ALTUVIIIO*	HEMOPHILIA	25	1	\$1,176,532	\$16.24	\$0.11
4	5	STELARA*	INFLAMMATORY CONDITIONS	32	5	\$885,870	\$12.23	\$6.57
5	9	JARDIANCE	DIABETES	554	160	\$713,193	\$9.84	\$5.20
6	15	SKYRIZI ON-BODY*	INFLAMMATORY CONDITIONS	26	4	\$591,495	\$8.16	\$2.71
7	7	DUPIXENT PEN*	ATOPIC DERMATITIS	136	19	\$571,269	\$7.89	\$5.30
8	13	BIKTARVY*	HIV	99	13	\$543,694	\$7.51	\$2.87
9	12	HUMIRA(CF) PEN*	INFLAMMATORY CONDITIONS	63	9	\$510,889	\$7.05	\$3.43
10	8	ELIQUIS	ANTICOAGULANT	547	136	\$485,561	\$6.70	\$5.20
11	17	FARXIGA	DIABETES	355	94	\$420,798	\$5.81	\$2.56
12	14	TREMFYA ONE-PRESS*	INFLAMMATORY CONDITIONS	26	5	\$381,458	\$5.27	\$2.83
13	92	GENVOYA*	HIV	73	9	\$347,863	\$4.80	\$0.44
14	18	TRIKAFTA*	CYSTIC FIBROSIS	12	1	\$328,664	\$4.54	\$2.55
15	20	TRULICITY	DIABETES	294	48	\$321,604	\$4.44	\$2.00
16	211	ORENITRAM ER*	PULMONARY HYPERTENSION	12	1	\$319,918	\$4.42	\$0.18
17	6	SKYRIZI PEN*	INFLAMMATORY CONDITIONS	12	4	\$274,184	\$3.78	\$5.88
18	11	ENBREL SURECLICK*	INFLAMMATORY CONDITIONS	35	7	\$274,121	\$3.78	\$3.67
19	45	COSENTYX UNOREADY PEN*	INFLAMMATORY CONDITIONS	25	4	\$269,197	\$3.72	\$0.87
20	29	RYBELSUS	DIABETES	171	45	\$262,229	\$3.62	\$1.33
21	72	IMBRUVICA*	CANCER	12	1	\$228,066	\$3.15	\$0.60
22	59	TREMFYA*	INFLAMMATORY CONDITIONS	15	3	\$221,331	\$3.06	\$0.73
23	57	COSENTYX SENSOREADY (2 PENS)	INFLAMMATORY CONDITIONS	24	5	\$217,178	\$3.00	\$0.74
24	80	TAGRISSO*	CANCER	12	1	\$215,490	\$2.97	\$0.51
25	10	RINVOQ*	INFLAMMATORY CONDITIONS	31	7	\$209,984	\$2.90	\$4.06
Total Top 25:				5,490		\$13,027,143	\$179.82	\$84.41

*Specialty Drugs

Top 25 Specialty Drugs

- Top 25 specialty drugs represent 38.5% of your total gross cost

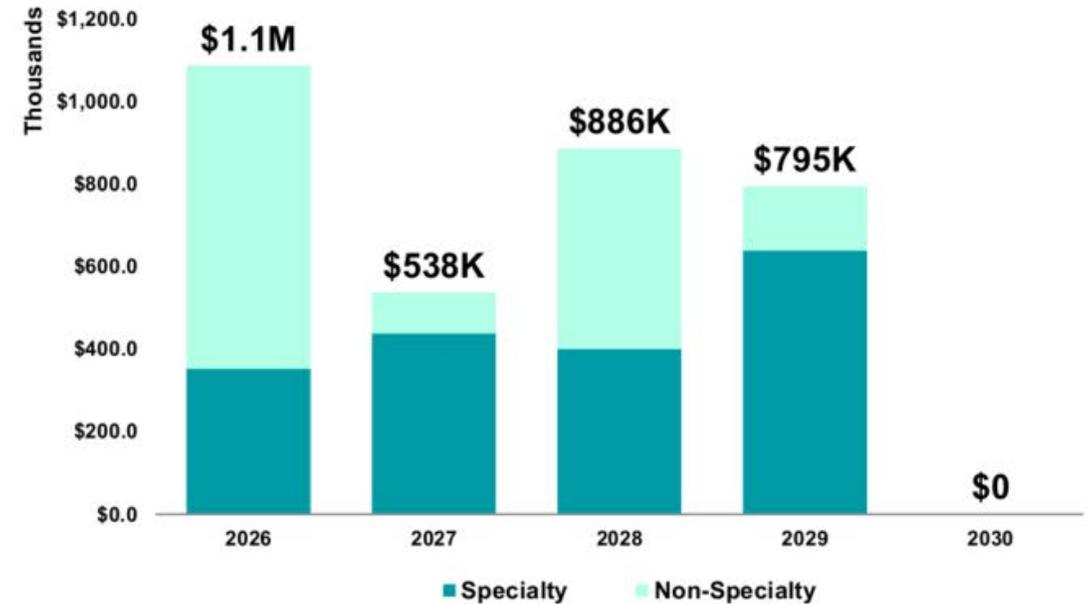
Top Specialty Drugs by Gross Cost									
10-24 - 9-25									
Overall Rank	Overall Peer Rank	Brand Name	Indication	Rxs	Pts.	Gross Cost	Gross Cost / Rx	Gross Cost PMPM	
3	321	ALTUVIIIIO	HEMOPHILIA	25	1	\$1,176,532	\$47,061	\$16.24	
4	5	STELARA	INFLAMMATORY CONDITIONS	32	5	\$885,870	\$27,683	\$12.23	
6	15	SKYRIZI ON-BODY	INFLAMMATORY CONDITIONS	26	4	\$591,495	\$22,750	\$8.16	
7	7	DUPIXENT PEN	ATOPIC DERMATITIS	136	19	\$571,269	\$4,201	\$7.89	
8	13	BIKTARVY	HIV	99	13	\$543,694	\$5,492	\$7.51	
9	12	HUMIRA(CF) PEN	INFLAMMATORY CONDITIONS	63	9	\$510,889	\$8,109	\$7.05	
12	14	TREMFYA ONE-PRESS	INFLAMMATORY CONDITIONS	26	5	\$381,458	\$14,671	\$5.27	
13	92	GENVOYA	HIV	73	9	\$347,863	\$4,765	\$4.80	
14	18	TRIKAFTA	CYSTIC FIBROSIS	12	1	\$328,664	\$27,389	\$4.54	
16	211	ORENITRAM ER	PULMONARY HYPERTENSION	12	1	\$319,918	\$26,660	\$4.42	
17	6	SKYRIZI PEN	INFLAMMATORY CONDITIONS	12	4	\$274,184	\$22,849	\$3.78	
18	11	ENBREL SURECLICK	INFLAMMATORY CONDITIONS	35	7	\$274,121	\$7,832	\$3.78	
19	45	COSENTYX UNOREADY PEN	INFLAMMATORY CONDITIONS	25	4	\$269,197	\$10,768	\$3.72	
21	72	IMBRUVICA	CANCER	12	1	\$228,066	\$19,005	\$3.15	
22	59	TREMFYA	INFLAMMATORY CONDITIONS	15	3	\$221,331	\$14,755	\$3.06	
23	57	COSENTYX SENSOREADY (2 PEN	INFLAMMATORY CONDITIONS	24	5	\$217,178	\$9,049	\$3.00	
24	80	TAGRISSO	CANCER	12	1	\$215,490	\$17,957	\$2.97	
25	10	RINVOQ	INFLAMMATORY CONDITIONS	31	7	\$209,984	\$6,774	\$2.90	
26	23	DUPIXENT SYRINGE	ATOPIC DERMATITIS	51	6	\$205,642	\$4,032	\$2.84	
27	19	DESCOVY	HIV	77	14	\$200,722	\$2,607	\$2.77	
29	95	LENVIMA	CANCER	7	1	\$175,115	\$25,016	\$2.42	
30	196	ADEMPAS	PULMONARY HYPERTENSION	12	1	\$170,852	\$14,238	\$2.36	
32	198	SYM TUZA	HIV	27	6	\$159,407	\$5,904	\$2.20	
33	39	KISQALI	CANCER	9	1	\$158,814	\$17,646	\$2.19	
35	16	TALTZ AUTOINJECTOR	INFLAMMATORY CONDITIONS	21	2	\$153,973	\$7,332	\$2.13	
Total Top 25:				874		\$8,791,728	\$10,059	\$121.36	

Upcoming Patent Expirations

Top Drugs Scheduled to Lose Patent Protection through 2030					
Drug Name	Indication	Scheduled Release Year	Gross Cost Rank	Gross Cost PMPM	Gross Cost / Rx
ELIQUIS	ANTICOAGULANT	2028	10	\$6.70	\$887.68
FARXIGA	DIABETES	2026	11	\$5.81	\$1,185.35
ORENITRAM ER*	PULMONARY HYPERTENSION	2027	16	\$4.42	\$26,659.87
ENBREL SURECLICK*	INFLAMMATORY CONDITIONS	2029	18	\$3.78	\$7,832.02
COSENTYX SENSOREAD	INFLAMMATORY CONDITIONS	2029	23	\$3.00	\$9,049.07
ADEMPAS*	PULMONARY HYPERTENSION	2026	30	\$2.36	\$14,237.70
TRIUMEQ*	HIV	2028	38	\$2.03	\$5,885.19
OTEZLA*	INFLAMMATORY CONDITIONS	2028	41	\$1.84	\$5,327.60
MAYZENT*	MULTIPLE SCLEROSIS	2028	42	\$1.66	\$10,029.87
XTANDI*	CANCER	2027	49	\$1.44	\$14,948.36

*Specialty Drugs

Spend on Brand Drugs Losing Patent Protection



Expiration dates based on current status and may change due to litigation, patent challenges, etc.

Based on current utilization, \$3,305,993 in brand drugs are losing patent protection by 2030

A conceptual image featuring a dart with a purple and black body hitting the bullseye of a target. The target is on the left side of the frame, and the background is a blue sky with white clouds. The text is overlaid on the dart's shaft.

Pharmacy Benefit Manager Marketing Results

Pharmacy Benefit Manager – Marketing Overview

- Crumdale Specialty marketed PBM and received four alternatives

PBM	Estimated Annual Savings	Estimated Annual Savings with Optional Savings Programs
Express Scripts (with CVS)	22.2%	27.7%
Express Scripts (without CVS)	23.1%	28.7%
WellDyne Specialty (with SP Carve Out)	-3.6%	28.5%
CVS	19.7%	19.7%*
Optum	18.6%	18.6%*

Pharmacy Benefit Manager – Fees and Credits

PBM	PMPM Admin Fee PMPM	Pass-Through Admin Fee per Rx	Annual PBM Coalition Fee	Implementation PMF Credit
Express Scripts (with CVS)	\$6.75	\$7.50	\$0.00	(\$7.00)
Express Scripts (without CVS)	\$6.75	\$7.50	\$0.00	(\$7.00)
WellDyne Specialty (with SP Carve Out)	\$6.75	\$14.00	\$0.00	(\$5.00)
CVS	\$15.50	\$1.55	\$16,000	(\$8.00)
Optum	\$15.5	\$1.55	\$16,00	(\$7.00)

Express Scripts

	Prime (Current) Preferred-Pass Through	Express Scripts-CVS Included Preferred-Pass Through	Express Scripts-CVS Excluded Preferred-Pass Through
Ingredient Costs	\$21,917,225	\$22,407,784	\$22,290,051
Dispensing Fees	\$11,313	\$25,476	\$14,621
Member Contribution	(\$1,887,611)	(\$1,887,611)	(\$1,887,611)
PMPM Admin Fee	\$437,724	\$488,997	\$488,997
Annual PBM Coalition Fee	N/A	\$0	\$0
Pass-Through Admin Fee	Not Provided	\$593,963	\$593,963
Rebates	(\$6,468,854)	(\$10,724,724)	(\$10,724,724)
Net Plan Cost	\$14,009,797	\$10,903,885	\$10,775,297
Annual Savings		\$3,105,913	\$3,234,501
Increase/Decrease		22.2%	23.1%
<i>Optional Savings Programs</i>			
Copay Card Accumulator		(\$779,498)	(\$779,498)
Net Plan Cost with programs	\$14,009,797	\$10,124,387	\$9,995,799
Total Savings Opportunity		\$3,885,410	\$4,013,998
Increase/Decrease with programs		27.7%	28.7%

Express Scripts Disruption

	Claims	Percentage of Claims	Members
No Change	38,301	99.98%	3,356
Positive Change	85	0.33%	39
Negative Change	37	0.14%	18
Excluded	489	1.88%	237

Express Scripts SaveOn

- Over 250 specialty medications are eligible for the SaveOn program.
- If the member fills an eligible medication, a representative from SaveOn will contact them to discuss the program.
- The member pays \$0 for the medication when they participate in the SaveOn program. If they choose not to participate, the member pays coinsurance (typically 30%) to fill the medication.
- Conditions covered by SaveOn include, but are not limited to:
 - Hepatitis C
 - Multiple Sclerosis
 - Psoriasis
 - Inflammatory Bowel Disease
 - Rheumatoid Arthritis
 - Cancer



Here's an example of how it works.²

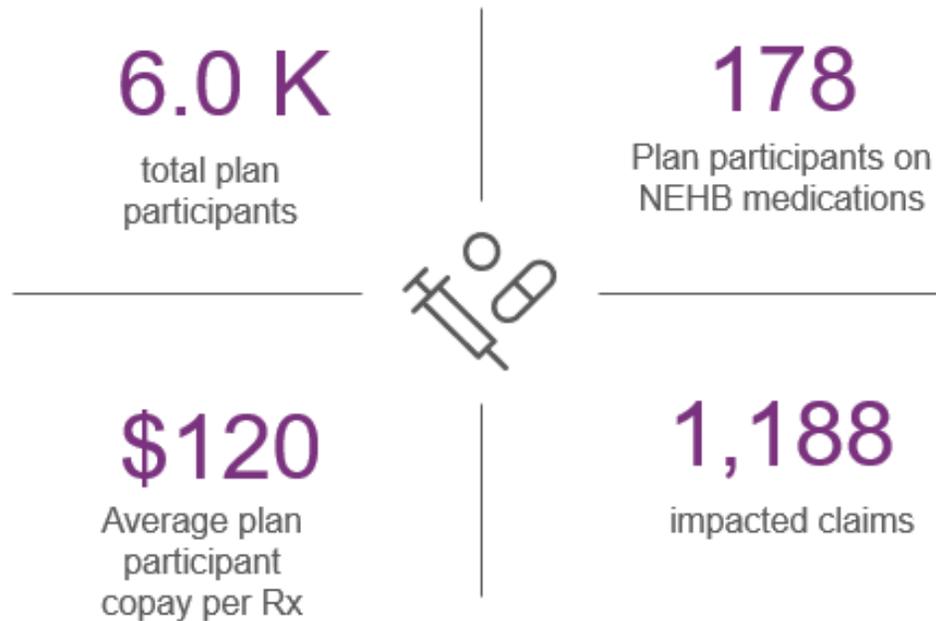
John's taking a specialty medication that's eligible for the SaveOnSP program. His copay is currently \$70. His new copay will be 30% of drug cost.

- **When he participates in SaveOnSP, he won't pay anything (\$0) out-of-pocket.** He will work with SaveonSP to enroll with the applicable manufacturer copay assistance program.
- **If he decides not to participate in SaveOnSP, he'll pay his full copay of 30% of drug cost out-of-pocket.**

In both of these examples, John's copay wouldn't count toward his deductible or out-of-pocket maximum.

Express Scripts SaveOn – Savings Expectation

City of Jacksonville



Benefit for plan sponsor and their participants

-  **\$10.76**
PMPM client savings¹
-  **\$779 K**
annual plan savings¹
-  **\$0**
reduced remaining plan participant cost

Every month you lose \$64,932 without benefit setup administered by [SaveOnSP](#)

WellDyne Specialty

	Prime (Current) Preferred-Pass Through	WellDyne Specialty Preferred with SP Carve Out
Ingredient Costs	\$21,917,225	\$23,554,012
Dispensing Fees	\$11,313	\$2,055
Member Contribution	(\$1,887,611)	(\$1,887,611)
PMPM Admin Fee	\$437,724	\$488,997
Annual PBM Coalition Fee	N/A	\$0
Pass-Through Admin Fee	Not Provided	\$1,108,730
Rebates	(\$6,468,854)	(\$8,754,300)
Net Plan Cost	\$14,009,797	\$14,511,883
Annual Savings		(\$502,086)
Increase/Decrease		-3.6%
<i>Optional Savings Programs</i>		
<u>Alternative Funding Solution</u>		(\$4,495,930)
Net Plan Cost with programs	\$14,009,797	\$10,015,953
Total Savings Opportunity		\$3,993,844
Increase/Decrease with programs		28.5%

WellDyne Disruption

	Claims	Percentage of Claims	Members
No Change	37,813	97.18%	3,264
Positive Change	136	0.35%	67
Negative Change	20	0.05%	5
Excluded	943	2.42%	314

	Prime (Current) Preferred-Pass Through	CVS Preferred-Pass Through
Ingredient Costs	\$21,917,225	\$22,500,657
Dispensing Fees	\$11,313	\$20,351
Member Contribution	(\$1,887,611)	(\$1,887,611)
PMPM Admin Fee	\$437,724	\$1,122,557
Annual PBM Coalition Fee	N/A	\$16,000
Pass-Through Admin Fee	Not Provided	\$122,752
Rebates	(\$6,468,854)	(\$10,644,208)
Net Plan Cost	\$14,009,797	\$11,250,498
Annual Savings		\$2,759,299
Increase/Decrease		19.7%
<i>Optional Savings Programs</i>		<i>Available</i>
Copay Card Accumulator		Unknown
Net Plan Cost with programs	\$14,009,797	
Total Savings Opportunity		
Increase/Decrease with programs		

Optum

	Prime (Current) Preferred-Pass Through	Optum Preferred-Pass Through
Ingredient Costs	\$21,917,225	\$22,584,119
Dispensing Fees	\$11,313	\$23,457
Member Contribution	(\$1,887,611)	(\$1,887,611)
PMPM Admin Fee	\$437,724	\$1,122,557
Annual PBM Coalition Fee	N/A	\$16,000
Pass-Through Admin Fee	Not Provided	\$122,752
Rebates	(\$6,468,854)	(\$10,582,415)
Net Plan Cost	\$14,009,797	\$11,398,859
Annual Savings		\$2,610,938
Increase/Decrease		18.6%
<i>Optional Savings Programs</i>		<i>Available</i>
Copay Card Accumulator		Unknown
Net Plan Cost with programs	\$14,009,797	
Total Savings Opportunity		
Increase/Decrease with programs		

A wooden boardwalk with a coin-operated binocular viewer in the foreground, overlooking the ocean at dusk. The boardwalk is made of light-colored wooden planks and has a wooden railing with three horizontal rails. The binocular viewer is black and mounted on a black metal stand with a circular base. The ocean is visible in the background, with waves breaking on the shore. The sky is a pale, hazy blue, suggesting twilight.

Other Notes and Recommendations

Decisions and Next Steps

Rebate Frequency

Notes

- Admin fee is currently reduced by \$7.00 PEPM which is credited from the Rebates.
- Rebates are paid annually.

Recommendations

- Eliminate the admin credit
- Move to quarterly rebates
- Require guarantee for PBM Rebates to be reconciled annually.

Cost Saving Programs

- Limited cost savings programs included

- Specialty Copay Assistance Program
- Alternative Funding Solutions
- GLP-1 Management Programs

Contract Terms & PBM Recommendation

- Current contract through 12/31/2027
- Contract allows a change to PBM with 30 day written notice
- Carving out PBM will require an additional PEPM fee on the BCBS contract.
- Additional fees for file integration for accumulators may apply

- Recommend Express Scripts
- Date TBD



Questions