

H BCH Specialty Pharmacy Collaboration – Round 1 Successes

June 2018

The Specialty Challenge

- Price, Price, Price
- Overprescribing and questions of value
- Siloed vendors
- Lack of cost transparency
- Vendor conflicts of interest



Initiative Overview

- Initiative kicked off in the Summer of 2016 with a series of educational workshops
- Participating employers expressed a desire to be more active in their specialty management
- HBCH Board approved the launch of a specialty drug assessment project in 2017
- 5 employers participated in the initial round of assessment

What is a SWAT?

Specialty Waste And Trend Analysis

- **Description:** An analysis of the waste and inappropriate use of specialty drugs across the pharmacy and medical benefit
- **Purpose:** To identify opportunities to better manage specialty drug utilization from a cost and quality perspective
- **Scope:** Includes reimbursement, clinical management, and benefit design
- **Prioritization:** Prioritize recommendations and finalize an action plan for implementation

Overall Spend

Source	Total Cost	PMPY Cost	Percent
Inpatient	\$108,602	\$2	<1%
Outpatient Hospital	\$2,451,140	\$49	10%
Physician Office	\$3,430,284	\$69	14%
Home Infusion	\$128,518	\$2	<1%
Pharmacy Benefit	\$18,185,986	\$367	73%
Other	\$22,356	\$1	<1%
Drug Administration	\$655,615	\$13	3%
Overall	\$25,026,154	\$505	

Overall Savings

Savings Type	Medical Savings	Rx Savings	Total Savings	Members with Savings
Recommendation 1		\$2,903,657	\$2,903,657	831
Recommendation 2	\$117,387	\$944,618	\$1,062,005	65
Recommendation 3	\$392,511		\$392,511	15
Recommendation 4	\$316,940		\$316,940	145
Recommendation 5		\$166,511	\$166,511	39
Recommendation 6		\$129,721	\$129,721	1
Recommendation 7	\$95,314		\$95,314	1
Recommendation 8	\$44,153	\$51,808	\$95,961	14
Recommendation 9		\$54,000	\$54,000	1
Recommendation 10		\$24,801	\$24,801	2
Recommendation 11	\$2,378		\$2,378	7
Recommendation 12	n/a	n/a	n/a	47
Total	\$968,683	\$4,275,116	\$5,243,799	1,168

Note Savings represent totals after the savings hierarchy is applied.

Conclusions

- Significant actionable savings are being identified
- Employers are also finding value in the learning process
- Implementing the recommendations will be a combination of short and longer-term activities
- Find out how to be part of Round 2

Contact us :

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