

Bergen County Technical And Special Services School Districts

SELF-INSURED PRESCRIPTION DRUG PLAN



Self-Insured Prescription Drug Benefit Plan Performance

- Plan Cost Rose 19.7% from 2014 to 2015
- 2016 Premium Increase: BCSS = 21.33% and BCTS = 26.76%

BCSS/BCTS Compared to the Educational Industry

Indicator	BCSS/BCTS Performance	Educational Industry Average Performance
Cost Per Member Per Month (PMPM)	\$241.93	\$125.53
Cost Per Rx	\$230.83	\$133.72
Specialty Cost PMPM	\$49.38	\$34.91
Generic Fill Rate	69.8%	80.3%
Home Delivery Utilization	17.6%	41.2%

Procedures that may Impact Plan Performance

Procedure	To Be Implemented by BCSS/BCTS	Not to be Implemented
Change in Plan Administrator	✓	
Mail order for Maintenance Medications	✓	
Mail Order for Specialty Medications	✓	
Prior Authorization	✓	
Drug Quantity Management	✓	
Elimination of Compound Drugs	✓	
Step Therapy		✓
Changes to Co-Pay Structure		✓
Dispense as Written Option 2		✓
Mandatory Use of Generic Medications		✓
Changes in utilization of local pharmacy for acute medication needs		✓

Impact of New Plan Procedures to be Implemented

- Cost Containment if new plan procedures were in place for 2016

BCSS Actual Premium Increase 2016	BCSS Premium Increase If Plan Procedures in Effect January 2016
21.33%	-2.3%*
BCTS Actual Premium Increase 2016	BCTS Premium Increase If Plan Procedures in Effect January 2016
26.76%	1.72%*

*Estimates based on industry data on how these procedures typically impact group rates. Our actual cost containment will depend on how employees use the plan and industry trends.

1. Change Prescription Benefit Manager to Maxor

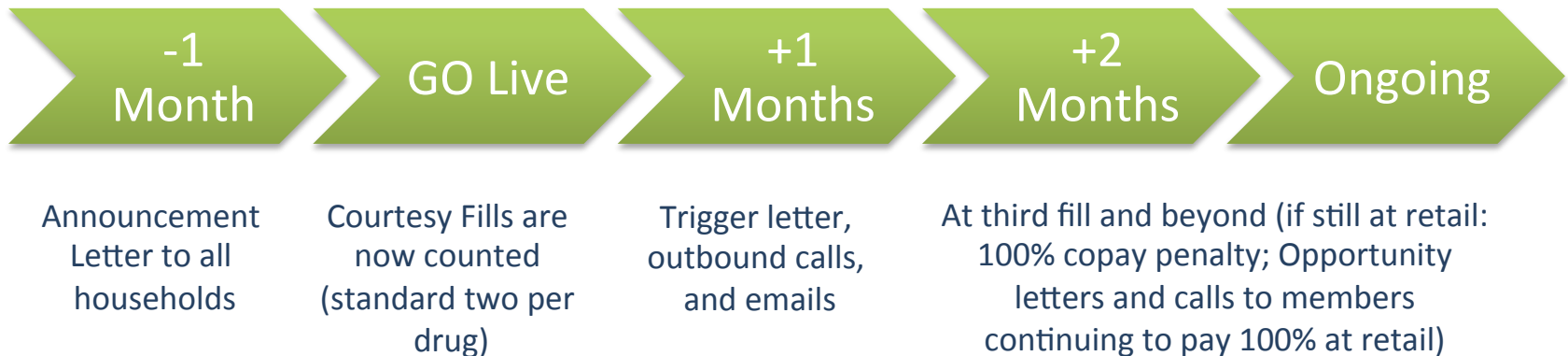
- Express Scripts Contracts ends July 31, 2016
- Maxor to begin August 1, 2016
 - Maxor's network comprises over 62,000 chain and independent retail pharmacies of the 65,000 nationwide
 - Extensive experience with Boards of Education and Municipalities including:
 - Essex County Vocational/Technical School District
 - Sterling Regional High School District
 - City of New Brunswick
 - No New Application Needed
 - New Member Cards will be issued and mailed home prior to 8/1/16

2. Mail Order for Maintenance Medications

▪ Maintenance Medications

- Treat conditions that are considered chronic or long-term
- Usually require regular or daily use
- Examples are medications used for diabetes, hypertension, heart disease, asthma, gout, and depression
- Maintenance Drugs are not used for acute, urgent or short term illnesses. Medications to treat these conditions will be filled at your local retail pharmacy
- Procedure change would require ordering only maintenance drugs from Maxor's mail order pharmacy

Member Communication:



3. Ordering of Specialty Medications thru Maxor

▪ Specialty Medications

- Used to treat complex chronic conditions
- Prescribed for disease states not commonly seen with a large number of patients
- May not be readily available at a local retail pharmacy
- The procedure change requires ordering specialty medication at the Maxor specialty pharmacy, or the MaxorPlus partner for limited distribution or LDD medications

Member Benefits

- Close Monitoring for potential issues such as injection site reactions, adverse drug interactions, missed doses, etc.
- Initial and ongoing education about the members medication and use, storage, etc.
- Improved member outcomes through promoting safety and medication adherence.

Member Communication

- Current members will be contacted by a patient care coordinator to manage benefits
- Prescriber is contacted to initiate coordination of care.
- New patients that attempt to fill a specialty medication at a pharmacy will receive a rejection notice, given a phone number and instructed to fill the medication at Maxor's specialty pharmacy. The pharmacy staff will then reach out to the member and the prescriber to coordinate care and delivery of the medication to the member.

4. Prior Authorization Process*

- **Prior Authorization** requires a pharmacy to receive an approval from the MaxorPlus Clinical Pharmacy personnel prior to them being allowed to dispense the medication to treat specific disease states that require extra monitoring and review before these medications are used.

Medications that Require Prior Authorization

Specialty Medications	Compound medications with a cost of \$100.00 or more	Any claim with a cost greater than \$2,000.00 at retail or \$4,000.00 at mail order	Injectables over \$250.00
Conzip®	Dificid®	High Cost Antifungal Medications	Xifaxan
Topical Tretinoin agents for members over the age of 40			

Some Medications that treat the following Conditions may require Prior Authorization

Narcolepsy	MRSA	Pulmonary Hypertension	Multiple Sclerosis	Blood Cell Deficiency	Growth Deficiency
Endocrine Disorders	Sleep/Wake Disorder	Osteoarthritis	Enzyme Deficiencies	GI Disorders	Hereditary Angioedema
Macular Degeneration	Mental/Neuro Disorders	Bone Conditions	Allergy Desensitization	High Blood Pressure	Skin Conditions
Glaucoma	Weight Loss				

* Prior Authorization has an Appeals Process

5. Drug Quantity Management (DQM)*

- DQM aligns the quantity and dosage dispensed with FDA approved guidelines and other supportive evidence. DQM asks: “Is this the correct quantity (tablets/capsules) of this medication?”
- DQM limits prescription quantities according to FDA guidelines.

Some Medications that treat the following Conditions may require DQM

Allergies	Anaphylaxis	Anti-infective	Anti-influenza	Antifungal	Asthma/COPD
Contraceptives	Eye Conditions	Hormone Supplements	Impotence	Inflammatory Conditions	Migraine Headaches
Nausea/Vomiting	Sleep Disorder	Ulcer	Specialty	Asthma	Blood Cell Deficiency
Bone Conditions	Diabetes	Endocrine Disorder	Fertility	Hepatitis C	High Blood Pressure
Cholesterol	Antidepressants	MS	Overactive Bladder	Pain	Pulmonary Hypertension
Wound Care					

* DQM has an Appeals Process

6. Elimination of non-approved, medically unsupported compound drugs*

- **Compounding** is the practice in which a licensed pharmacist and/or a licensed physician combines, mixes, or alters ingredients of a drug to create a medication tailored to the needs of an individual patient.
- Some Compound Drugs or Ingredients are NOT FDA approved for topical use and would be excluded from coverage
- Plan would maintain compounds that are supported by medical literature
- Plan would maintain compounds used for infants or children when there is no commercially available dosage form of the medicine

* Elimination of Compounds has an Appeals Process

Summary:

- BCSS/BCTS to Implement 6 Plan Procedure Changes
 - Change in Administrator to Maxor
 - August 1, 2016
 - Mail Order for Maintenance and Specialty Drugs; Prior Authorization; DQM; and Elimination of Compound medications
 - September 1, 2016

Questions?