

Meeting Location:
County of Fresno
Fresno County Board of Supervisors
Chambers
2281 Tulare Street, #301
Fresno, CA 93721

AGENDA DATE: July 19, 2019

ITEM NUMBER: Item 14

SUBJECT: Receive and File Consultant's Pharmacy Division Report and Consider Recommendation on Potential Rx Benefit Plan Design Change (A)

REQUEST(S): That the Board receive the consultant's report on lowering the mail order (90-day supply) copayment by \$10 for formulary and non-formulary prescription drugs, and \$5 for generic drugs, to increase mail order utilization. Retail 90 would remain unchanged.

DESCRIPTION:

Keenan Pharmacy Services has provided a proposed incentive-based plan design change on the SJVIA pharmacy mail order benefit that could potentially save the SJVIA plan \$600,000 (with 50% utilization). The incentive mail order recommendation is proposed to enable the SJVIA to capture lower costs and higher rebates. SJVIA staff recommends the Board approve the benefit change, with implementation with the 2020 health plan. The delayed implementation will allow SJVIA to educate members on the upcoming change and coincide with renewal prescriptions. It is recommended that participation in the mail order (90-day supply) be on an opt-in basis.

FISCAL IMPACT/FINANCING:

Potential annual savings from \$120,000 with 10% utilization, to \$600,000 with 50% utilization.

ADMINISTRATIVE SIGN-OFF:



Rhonda Sjostrom
SJVIA Manager



Paul Nerland
SJVIA Assistant Manager