



# EmpiRx Health

A Value-Based Approach  
to Pharmacy Benefits

5/29/2020



**SJVIA**

San Joaquin Valley  
Insurance Authority

# Who We Are

EmpiRx: “**em-PEER-ix**”



Pharmacy  
*Better*  
Management

from *empirical*, for our  
evidence-based practices.

## AWARDS



2019 FierceHealthcare's  
**“Fierce 15.”**

HealthValueAwards  
Presented by ValidationInstitute

**2020  
Winner**

[www.ValidationInstitute.com](http://www.ValidationInstitute.com)

2020 Health Value Award  
**winner.**



2020 Great Places to Work  
**certified.**

## VALUE-BASED PILLARS

RISK-BEARING  
MODEL

POPULATION  
HEALTH  
MANAGEMENT

PHYSICIAN  
ENGAGEMENT

TAILORED  
CONCIERGE  
EXPERIENCE



## EXCELLENCE



**Risk-bearing** model, not rebate-driven.

**\$19 million** in fully auditable clinical  
savings guarantees to our clients in 2020.

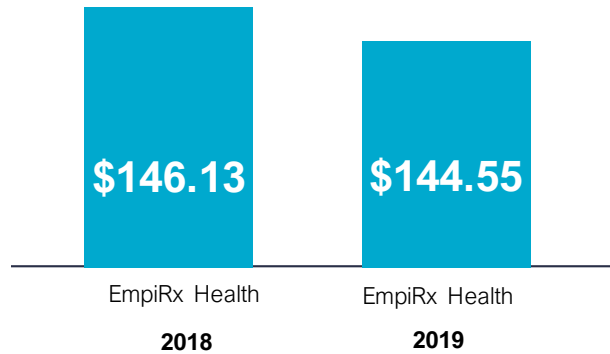


**Certified** methodology for clinical  
savings estimation and guaranteed  
savings calculation.

# Your Journey with EmpiRx Health

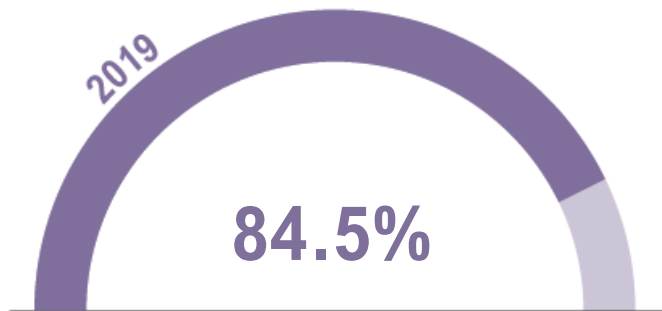
## Spending Per Member Per Month

### PLAN PMPM



### GDR

(Generic Dispensing Rate)



### HIGHLIGHTS

- PMPM trend is -1.08%. Industry trend is between 10-12%.
- GDR increased 1.62% from 2018 to 2019.

2019 PLAN SPEND

**\$17,851,549**

SPECIALTY PLAN SPEND

**\$5,690,691**

**CLINICAL SAVINGS**

2019 Jan - Dec

**\$4,205,652**

# Savings by Therapeutic Category

January – December 2019



Dermatologicals



Antidiabetics



Migraine Products



Cardiovascular Agents – Misc.



Analgesics – Opioids



**4,906**

Clinical Interventions

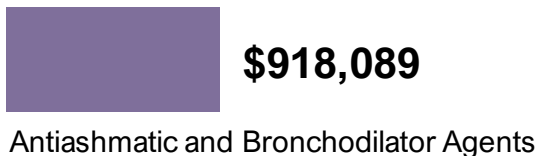
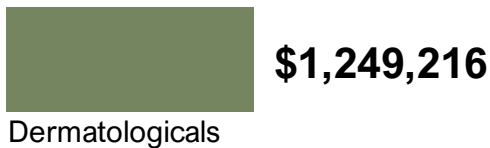


**\$4,205,652**

Clinical Savings  
Jan – Dec

# Top Utilization by Therapeutic Category

January – December 2019



## Top 5 Specialty Drugs

|            | Plan Spend |
|------------|------------|
| Humira Pen | \$928,071  |
| Sprycel    | \$321,422  |
| Enbrel     | \$277,878  |
| Tecfidera  | \$273,767  |
| Xeljanz XR | \$236,079  |

## Opioid Utilization

**2.5%**

Total drug spend

## Opioid Starter Dose Program Success Rate

**63.3%**

# Shifts in Drug Mix Since Implementation

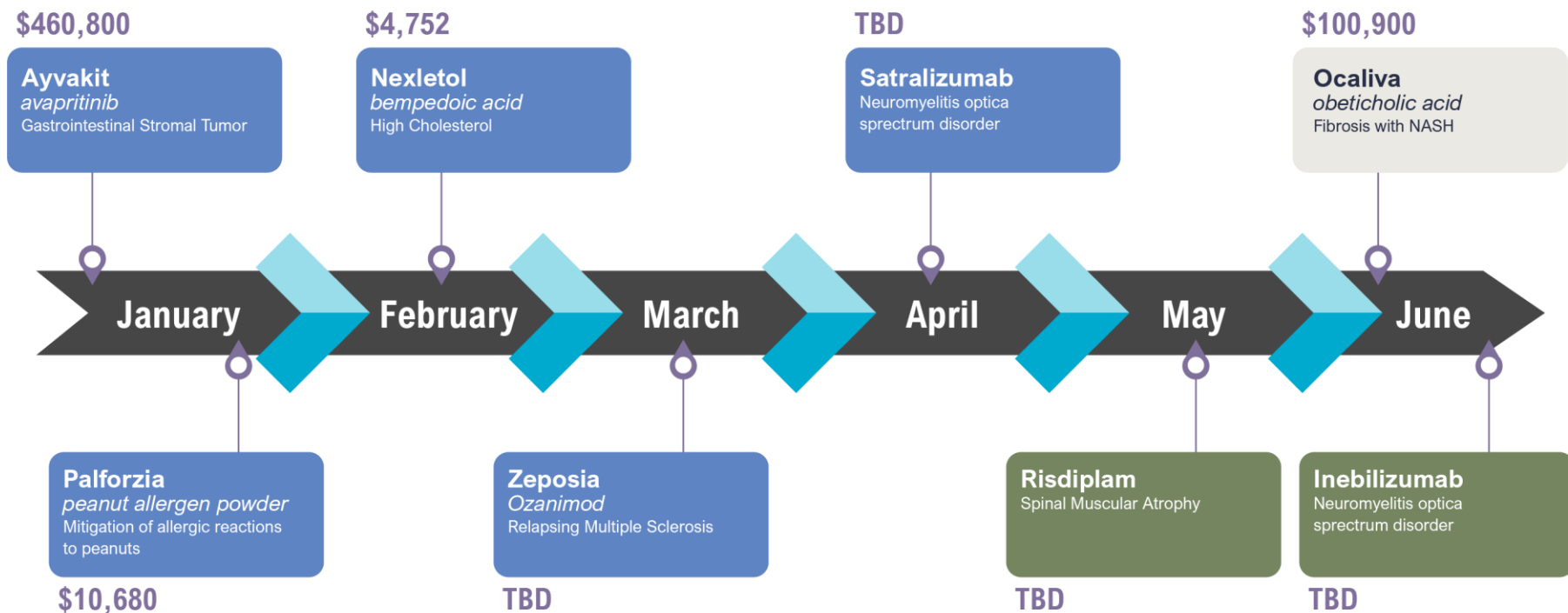
## New utilizers

|  |  |  |   |
|--|--|--|---|
| <b>Low Cost Alternative</b><br>Diabetes<br><br>County of Tulare                  | <b>Original Prescription</b><br><b>Metformin ER Modified Release 1000 mg</b><br>Qty: 60 / 30 days<br><b>Ingredient cost:</b><br><b>\$5,771</b> | <br><b>New Prescription</b><br><b>Metformin ER 500 mg</b><br>Qty: 360 / 90 days<br><b>Ingredient cost:</b><br><b>\$26</b>        | <b>Estimated Total Savings:</b><br><b>\$47,228</b><br><br>Based on 246 average days' supply |
| <b>Clinical Review</b><br>Osteoarthritis<br><br>County of Fresno                 | <b>Original Prescription</b><br><b>Vimovo Tab 500-20mg</b><br>Qty 60 / 30 days<br><b>Ingredient cost:</b><br><b>\$2,532</b>                    | <br><b>New Prescription</b><br><b>Omeprazole DR 40mg</b><br>Qty 90 / 90 days<br><b>Ingredient cost:</b><br><b>\$26</b>           | <b>Estimated Total Savings:</b><br><b>\$12,741</b><br><br>Based on 151 average days' supply |
| <b>Quantity Limit</b><br>Pancreatic Enzyme Insufficiency<br><br>County of Fresno | <b>Original Prescription</b><br><b>Creon Cap 36000 units</b><br>Qty: 1200 / 30 days<br><b>Ingredient cost:</b><br><b>\$11,457</b>              | <br><b>New Prescription</b><br><b>Creon Cap 36000 units</b><br>Qty: 300 / 28 days<br><b>Ingredient cost:</b><br><b>\$2,864</b> | <b>Estimated Total Savings:</b><br><b>\$30,316</b><br><br>Based on 108 average days' supply |

# Drug Pipeline and Inflation

- New approval
- Pending FDA approval
- New indication

## DRUG PIPELINE



# Value-Based Pillars of a Differentiated PBM Model

## Risk-bearing Model



**Total Value Guarantees drive lowest net cost and low PMPM trend**

- \$19M of fully-auditable clinical savings guarantees in 2020
- ~90% of clients and ~80% of members in downside risk-bearing arrangements

## Population Health Management



**Population profiling and interventions—powered by Johns Hopkins ACG model**

- 93.5% prescription adherence rate across book of business
- 15% baseline intervention rate
- \$72M of auditable clinical savings in 2019

## Physician Engagement



**Pharmacists consult directly with physicians to drive behavior change and therapeutic switches**

- 88% physician engagement rate
- 64% success rate in therapeutic switching via physician
- 90% average generic dispensing rate

## Tailored Concierge Experience



**Data-informed, human-delivered, and stakeholder aligned white-glove engagement model**

- 24/7/365 access to client and clinical service teams
- 97% member satisfaction
- 99% membership retention



# Population Health Management Model

## How we bend the Rx cost curve

### Risk stratification



- Stratification and predictive modeling powered by Johns Hopkins ACG methodology
- Longitudinal analysis of member including clinical and financial cost
- Condition-neutral and outcome-sensitive

### Targeted interventions



- Top 15% stratified for intervention by risk
- Physician profiling for intervention maximization
- One-of-a-kind case management platform
- Daily claims review

### Physician engagement

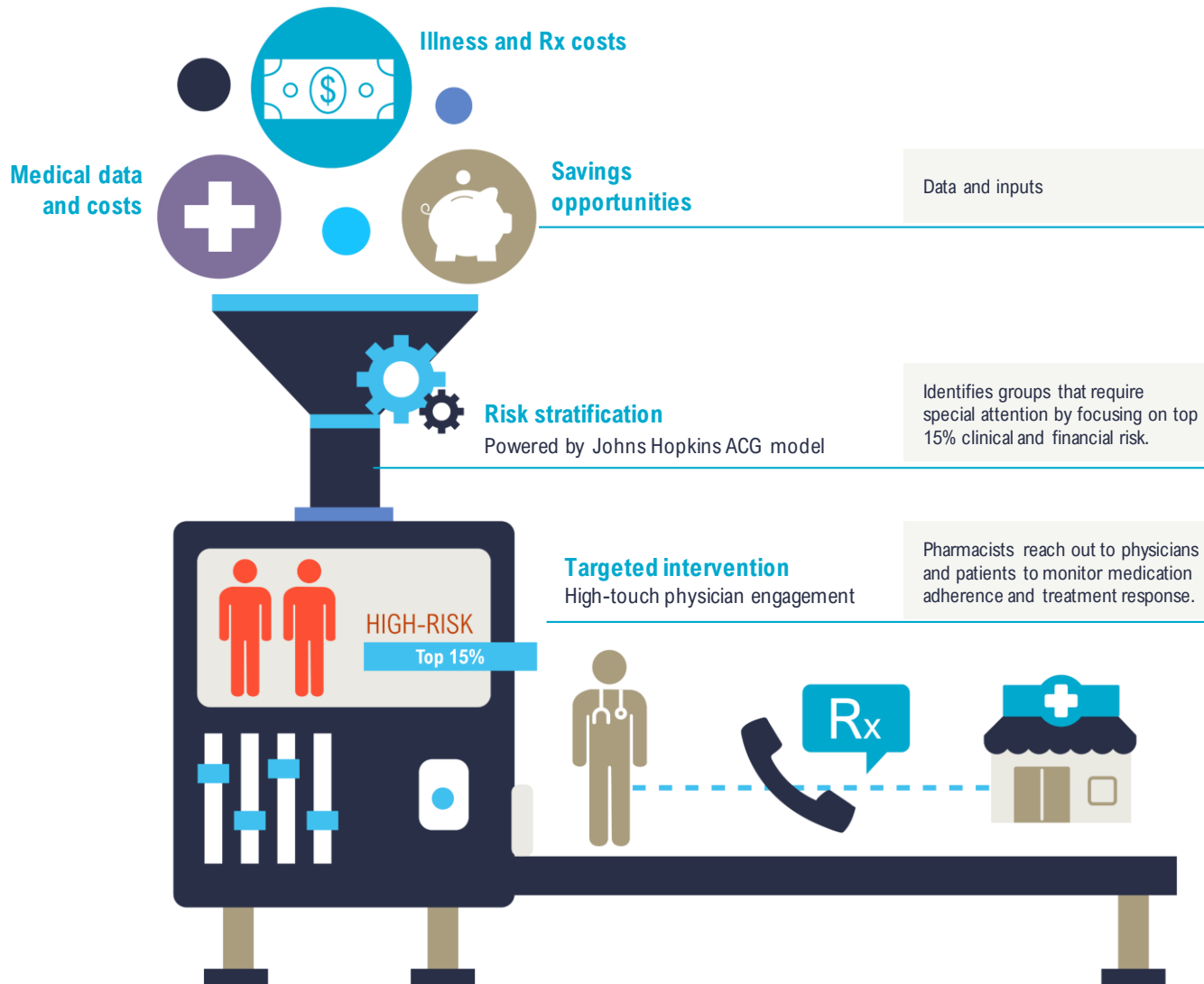


- Behavior change and consultative strategies employed
- 88% engagement
- 64% therapeutic switch rate
- 93.5% BoB prescription adherence

**EmpiRx Health's innovative integration of best practices from other population health models into a pharmacy care setting drives its superior clinical model.**

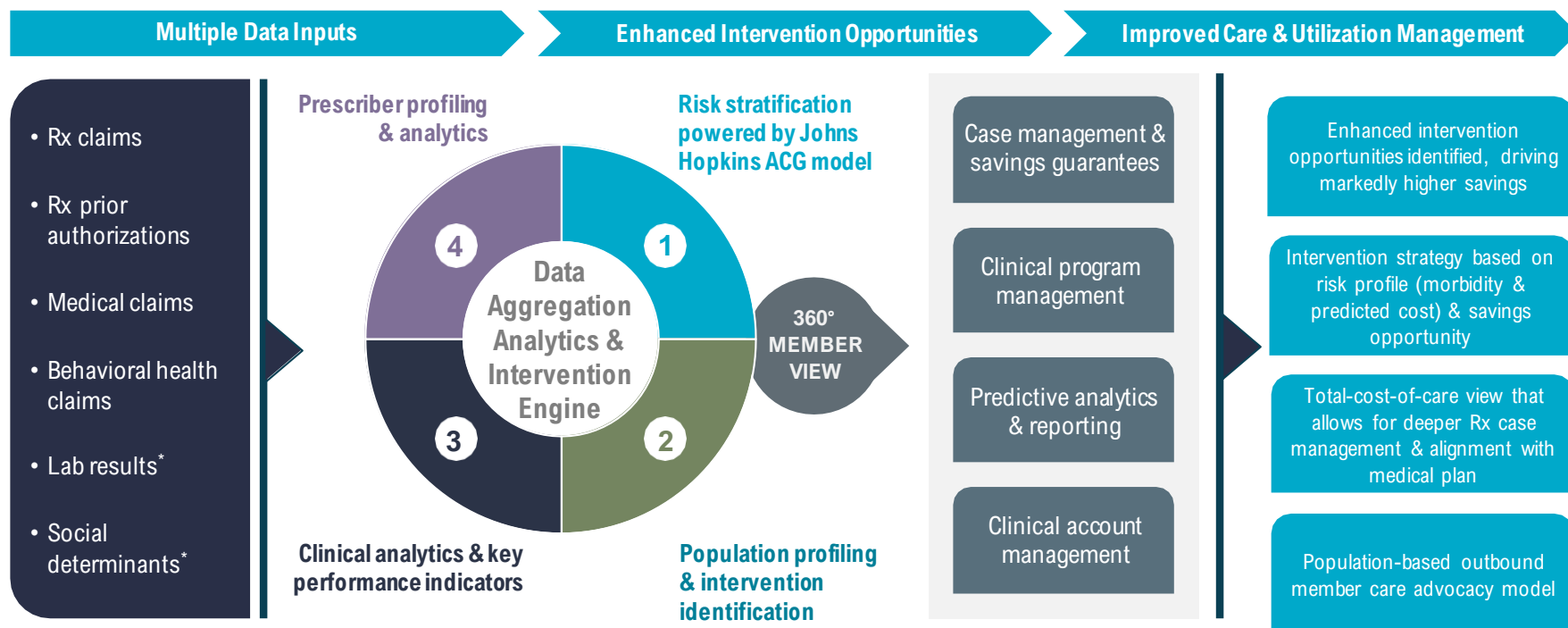
# The EmpiRx Health Population Health Model

**Focuses on clinical risk, predicted cost, and gaps in care**



# Risk Stratification and Intervention Engine

A differentiated population health technology solution that never existed in the PBM space—until now



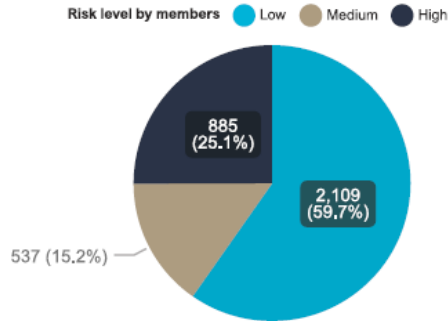
\* Planned in 2020

We integrate with medical and other benefit providers to generate insights that will improve health outcomes beyond pharmacy benefit optimization.

# Population Health Management Sample Report

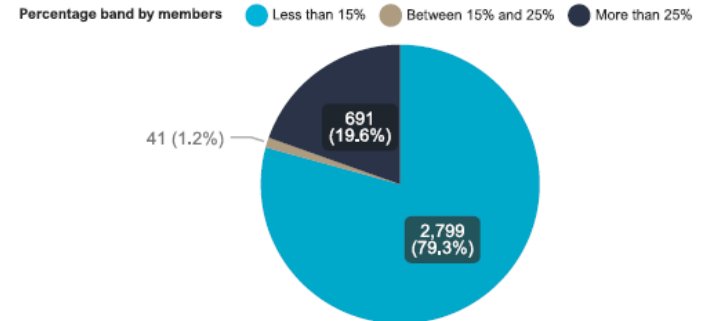
## CLINICAL (MORBIDITY) RISK

Johns Hopkins ACG based morbidity risk score



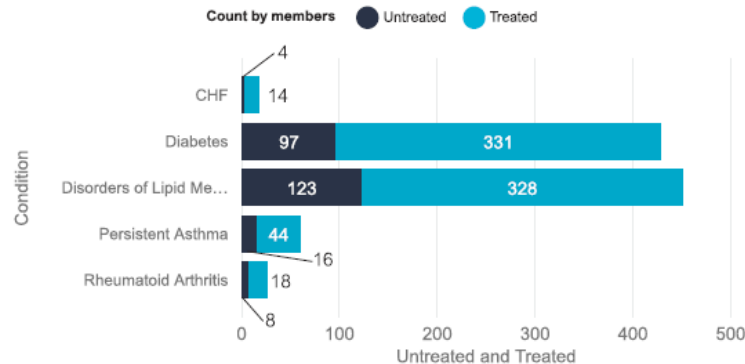
## FINANCIAL RISK

Variance of current costs vs. predicted costs based on comorbidities



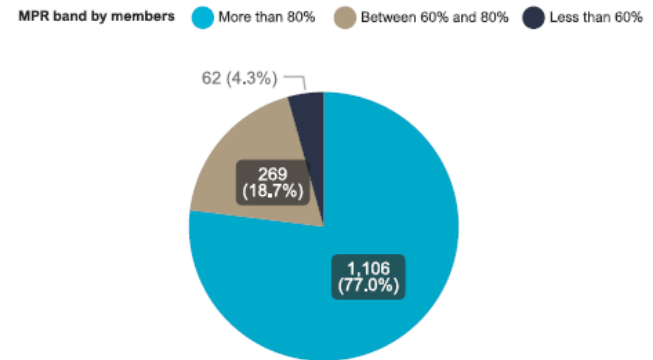
## GAPS IN CARE

Condition-based treatment opportunities



## MEDICATION ADHERENCE

Member distribution by adherence to prescribed treatment



We use your medical and Rx claims to drive our tailored population health strategy for you.

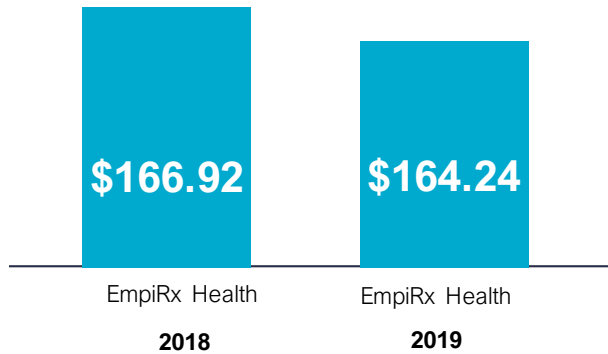


# Appendix - County of Tulare

# Your Journey with EmpiRx Health

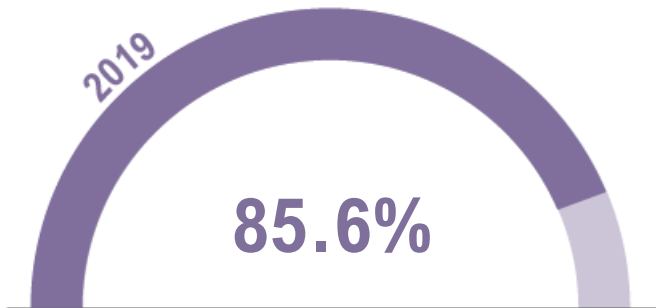
## Spending Per Member Per Month

### PLAN PMPM



### GDR

(Generic Dispensing Rate)



### HIGHLIGHTS

- PMPM trend is -1.6%. Industry trend is between 10-12%.
- GDR increased 1.4% from 2018 to 2019.

2019 PLAN SPEND

**\$7,686,221**

SPECIALTY PLAN SPEND

**\$2,905,391**

**CLINICAL SAVINGS**

2019 Jan - Dec

**\$1,326,445**

# Savings by Therapeutic Category

January – December 2019



Antidiabetics



Dermatologicals



Cardiovascular Agents – Misc.



Gastrointestinal Agents – Misc.



Migraine Products



**1,765**

Clinical Interventions

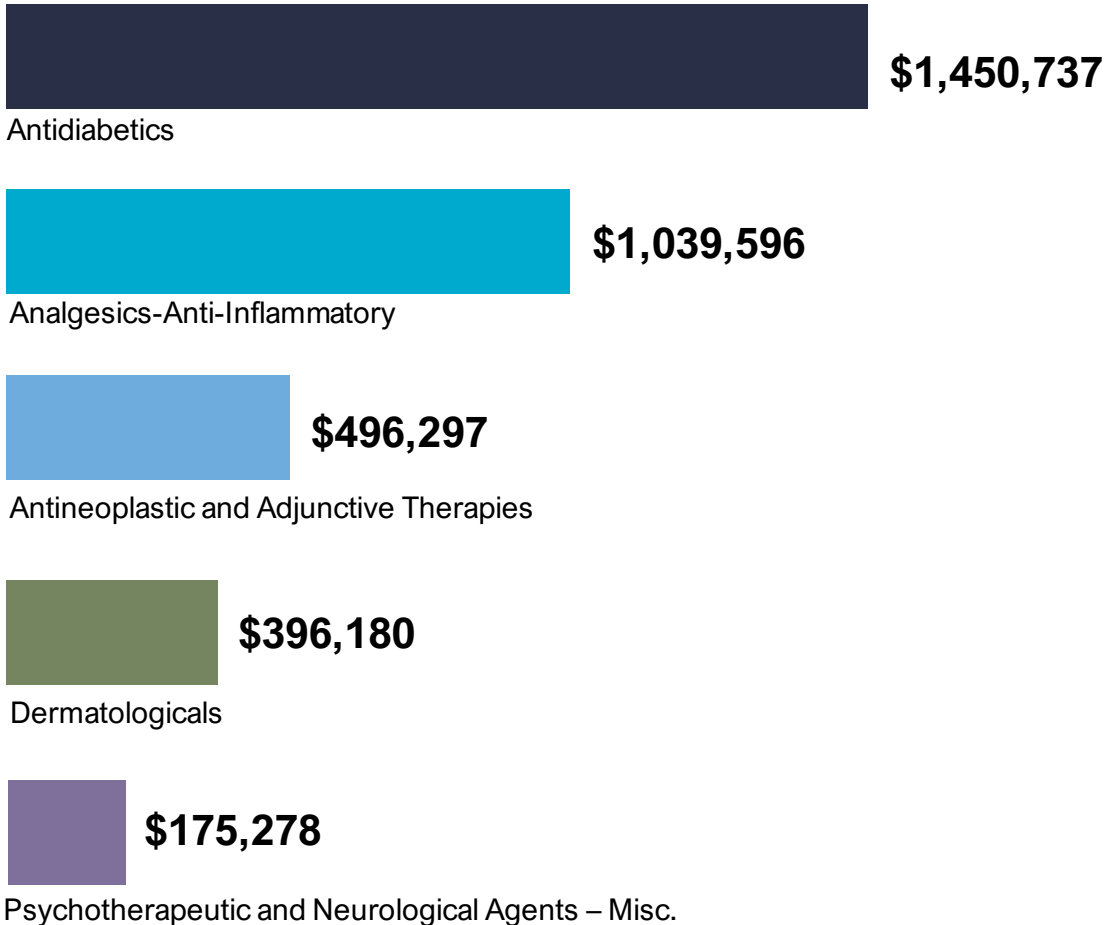


**\$1,326,455**

Clinical Savings  
Jan – Dec

# Top Utilization by Therapeutic Category

January – December 2019



## Top 5 Specialty Drugs

| Drug       | Plan Spend |
|------------|------------|
| Humira Pen | \$513,405  |
| Tecfidera  | \$273,767  |
| Xeljanz XR | \$187,429  |
| Sprycel    | \$175,917  |
| Symdeko    | \$163,006  |

## Opioid Utilization

**2.3%**

Total drug spend

## Opioid Starter Dose Program Success Rate

**65.1%**



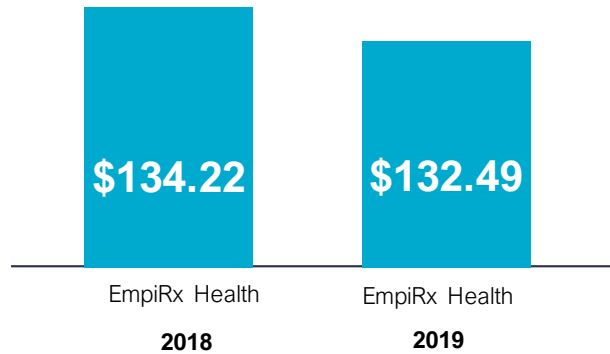


# Appendix - County of Fresno

# Your Journey with EmpiRx Health

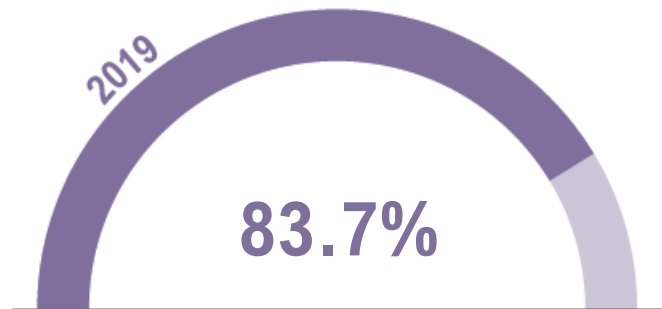
## Spending Per Member Per Month

### PLAN PMPM



### GDR

(Generic Dispensing Rate)



### HIGHLIGHTS

- PMPM trend is -1.2%. Industry trend is between 10-12%.
- GDR increased 1.8% from 2018 to 2019.

2019 PLAN SPEND

**\$10,165,328**

SPECIALTY PLAN SPEND

**\$2,785,300**

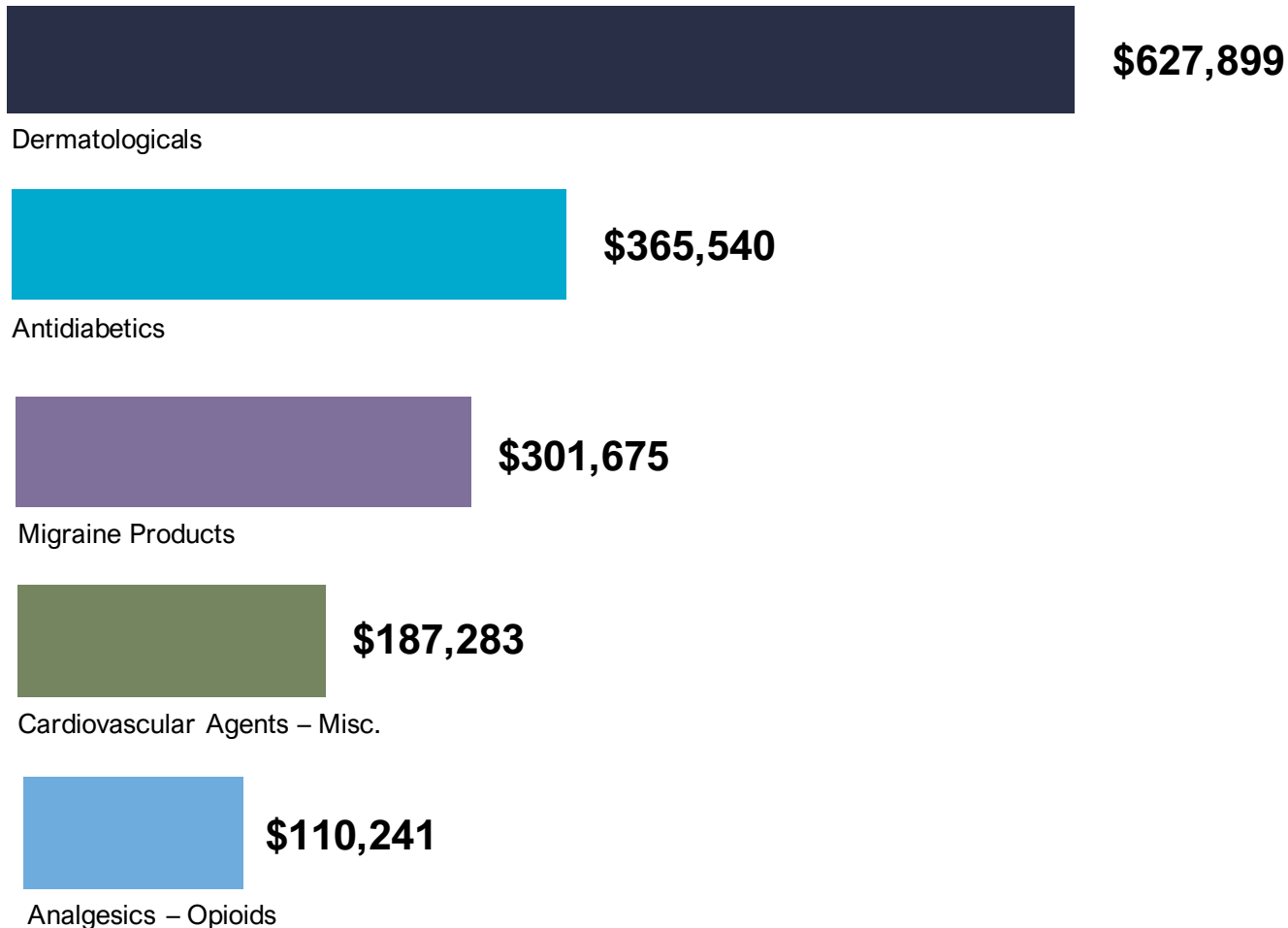
**CLINICAL SAVINGS**

2019 Jan - Dec

**\$2,879,207**

# Savings by Therapeutic Category

January – December 2019



**3,141**

**Clinical Interventions**

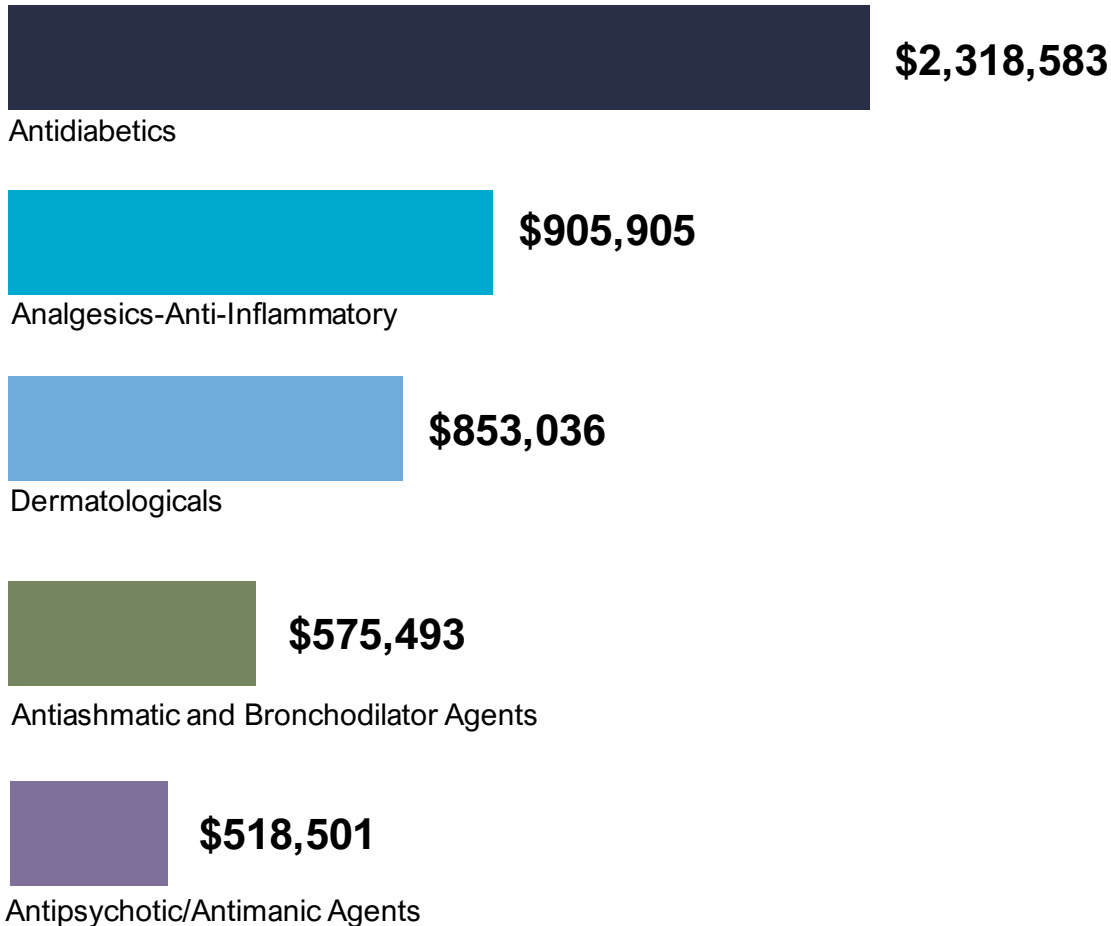


**\$2,879,207**

**Clinical Savings**  
Jan – Dec

# Top Utilization by Therapeutic Category

January – December 2019



## Top 5 Specialty Drugs

|            | Plan Spend |
|------------|------------|
| Humira Pen | \$414,665  |
| Enbrel     | \$196,593  |
| Cosentyx   | \$167,135  |
| Sprycel    | \$145,505  |
| Dupixent   | \$140,817  |

## Opioid Utilization

**2.6%**

Total drug spend

## Opioid Starter Dose Program Success Rate

**61.5%**

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# Our Partnership

## Our focus is on you





**Connected.  
Focused.  
Aligned.**

Thank You