

## SJVIA Board Meeting: Consultant's Report - EmpiRx Q3 Utilization

### SJVIA- EmpiRx Health- Q3 2021 Highlights:

- SJVIA's total plan cost increased in Q3 2021 by 4.18% from Q2 to **\$5,284,412**
    - Tulare: \$2,160,996 in Plan Cost
    - Fresno: \$3,123,415 in Plan Cost
    - The increase in plan spend can be attributed to utilization increasing, as well as inflation.
    - There was an increase of 11% in plan cost when comparing Q3 2020 (\$4,761,678) to Q3 2021 (\$5,284,412).
  - Majority of the SJVIA members continue to fill scripts at retail.
    - Retail scripts account for 98.68% of plan spend.
  - Overall, the claims volume in Q3 2021 increased in all channels apart from mail brand and generic.
    - Majority of scripts are being filled in the retail generic or retail90 generic channel.
  - The Generic Dispensing Rate Continues to trend well for SJVIA in all channels.
    - Although the GDR trends well, it did decrease slightly for Retail GDR, Retail90 GDR and Mail GDR in Q3 2021.
      - Q3 2021 Retail GDR: 82%
        - Q2 2021: 82.76%
      - Q3 2021 Retail90 GDR: 88.62%
        - Q2 2021: 89.09%
      - Q3 2021 Mail GDR: 86.39%
        - Q2 2021: 87.83%
  - Q3 2021 specialty plan spend increased compared to previous quarters.
    - The spend shift can be mostly attributed to the specialty channel seeing a significant increase in utilization for Q3.
    - Specialty Plan Costs in Q3 2021: \$2,113,192 (39.99% of plan spend)
      - Specialty Plan cost in Q2 2021: \$2,003,006
- \* There was an increase in specialty plan cost when comparing Q3 2021 (\$2,113,192) to Q3 2020 (\$1,471,204).
- Specialty claims volume increased with new utilization in Q3 2021.
    - 578 Scripts filed in Q3 2021.
      - 39 additional scripts compared to Q2 2021
        - 539 Scripts filled in Q2 2021
      - 77 additional scripts compared to Q3 2020
        - 491 Scripts filled in Q3 2020
    - SJVIA specialty plan costs trends above the EmpiRx BOB national average range (30%-35%).
  - Top clinical cost drivers by Therapeutic Class
    - ANALGESICS - ANTI-INFLAMMATORY
    - ANTIDIABETICS
    - DERMATOLOGICALS

- ANTINEOPLASTICS AND ADJUNCTIVE THERAPIES
- RESPIRATORY AGENTS- MISC.
- ANTICOAGULANTS
- ANTIPSYCHOTICS/ANTIMANIC AGENTS
  
- Top Clinical Cost Drivers by Drug (Q3 2021):
  - HUMIRA PEN (ANALGESICS - ANTI-INFLAMMATORY)
    - 2021 (Q3) ingredient costs: \$697,541.19
    - 17 Utilizers (1 additional utilizers than Q2)
  - TRULICITY (ANTIDIABETICS)
    - 2021 (Q3) ingredient costs: \$665,896.45
    - 113 Utilizers (12 additional utilizers than Q2)
  - OZEMPIC (ANTIDIABETICS)
    - 2021 (Q3) ingredient costs: \$379,513.94
    - 91 Utilizers (19 additional utilizers than Q2)
  - TREMFYA (DERMATOLOGICALS)
    - 2021 (Q3) ingredient costs: \$354,282.85
    - 9 Utilizers (1 additional utilizers than Q2)
  - JARDIANCE (ANTIDIABETICS)
    - 2021 (Q3) ingredient costs: \$320,923.85
    - 96 Utilizers (12 additional utilizers than Q2)
  - DUPIXENT (DERMATOLOGICALS)
    - 2021 (Q3) ingredient costs: \$314,157.96
    - 15 Utilizers (2 additional utilizers than Q2)
  - JANUVIA (ANTIDIABETICS)
    - 2021 (Q3) ingredient costs: \$309,929.04
    - 107 Utilizers (10 additional utilizers than Q2)
  - SPRYCEL (ANALGESICS - ANTI-INFLAMMATORY)
    - 2021 (Q3) ingredient costs: \$262,889.36
    - 2 Utilizers (no change in utilization from Q2)
  - \* Specialty medications require a prior authorization before they can be filled.
  
- Rebates:
  - Q1 2021 net rebate amount that was paid out to SJVIA was \$663,828.00
  - Q2 2021 estimated net rebate amount is \$694,892.00
    - \*Beginning with the fourth quarter of 2020, Rebates will be paid within 120 days at the end of the applicable quarter.
  
- Clinical savings guarantee for 18 Months: \$1,500,000
  - Prorated Clinical Guarantee (Q3 2020-Q2 2021): \$1,000,000.00
  - Q3 2020- Q2 2021 Estimated Clinical Savings Performance: \$3,029,408.00

### **KPS Audit**

KPS conducts a yearly financial audit of EmpiRx Clinical savings, Average Wholesale Price (AWP) discounts and Rebate performance against the client's aggregate contractual guarantees.

### **2021 EmpiRx Renewal**

KPS 2021 renewal negotiations with EmpiRx Health (EH) will potentially provide \$4.2 million in saving for SJVIA over the next 2.5 years. KPS negotiated additional rebate payout improvement and deeper discounts guarantees.