

STRATEGIC PLANNING
AND REVIEW CONSULTATION

FELRA 4369

February 2020



EXPRESS SCRIPTS®

**CHAMPIONS
FOR
BETTER™**



Together we're unlocking more value for you

In 2019, we came together to offer industry-leading capabilities

- ✓ **April 2019:** Launched Amazon Alexa for Cigna Health Today™ and Express Scripts home delivery
- ✓ **April 2019:** Announced Patient Assurance Program; caps insulin at \$25 for a 30-day supply
- ✓ **September 2019:** Announced Embarc Benefit ProtectionSM; helps clients pay for potentially curative gene therapies

Looking forward to 2020 and beyond



January 2020: Digital Health Formulary

Announced in late 2019, our industry-first cohort of solutions that will make managing digital health more reliable, more affordable and easier for plans and members alike.

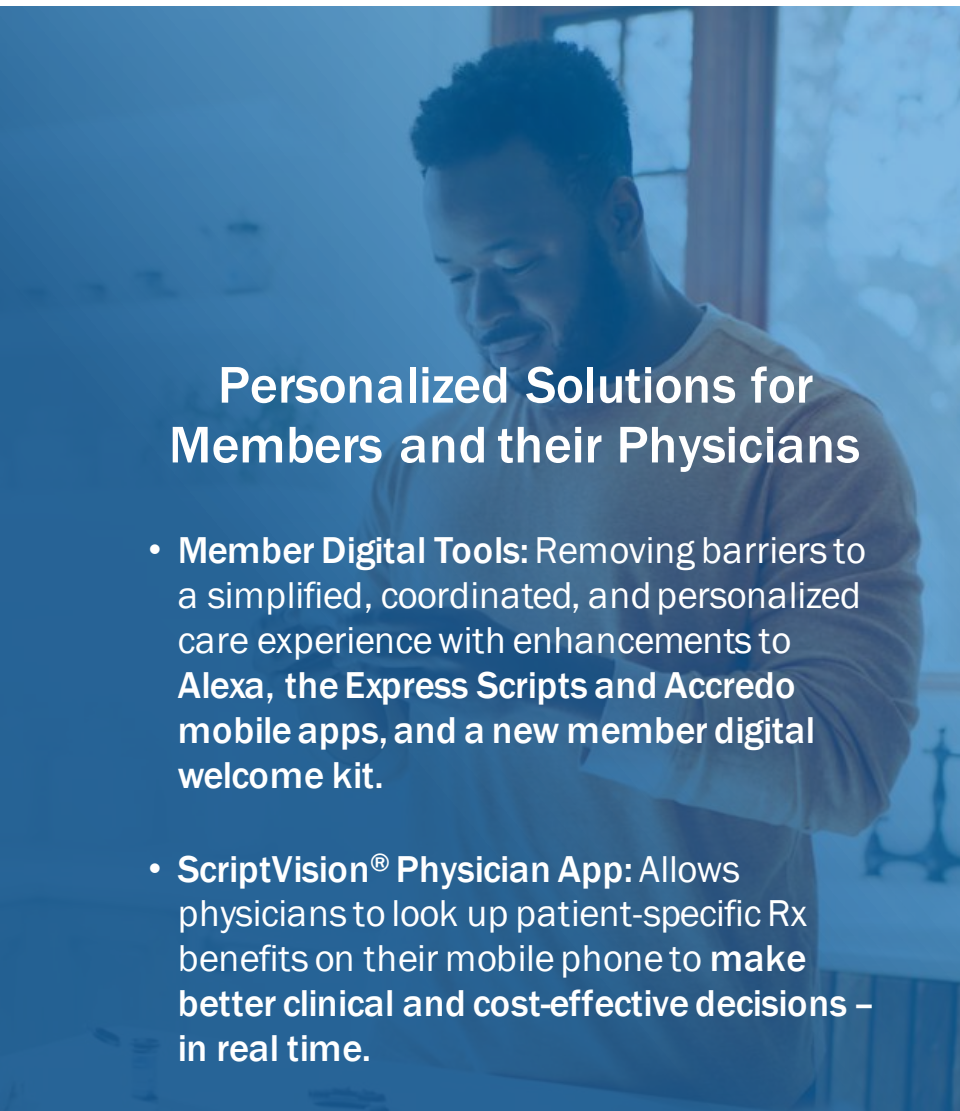


February. 2020: Cigna Dental

Leverage power of real-time pharmacy data to identify high-risk members to get the preventative treatment they need.



Investing in solutions for better connectivity, insights and value

A man with short dark hair and a beard, wearing a light-colored long-sleeved shirt, is looking down at a tablet he is holding. The background is a bright, out-of-focus indoor space with large windows.

Personalized Solutions for Members and their Physicians

- **Member Digital Tools:** Removing barriers to a simplified, coordinated, and personalized care experience with enhancements to **Alexa, the Express Scripts and Accredo mobile apps, and a new member digital welcome kit.**
- **ScriptVision® Physician App:** Allows physicians to look up patient-specific Rx benefits on their mobile phone to **make better clinical and cost-effective decisions – in real time.**

A woman with long dark hair, wearing a dark blue button-down shirt, is pointing her right index finger at a large screen or window. The background is a bright, out-of-focus indoor space with large windows.

More Business Value for Clients

- **Look Deeper at the Lab:** Expose opportunities, create new solutions, and make a real difference in your business by **lowering overall benefit costs while improving experience and clinical care for your members.** Sites include the newly redesigned St. Louis, MO location, as well as Franklin Lakes, NJ, and Austin, TX.
- **Accredo: New Honolulu location** provides high-touch pharmacy care to people living with chronic, complex health conditions, including **prescription pick-up and consultation, and an infusions suite.**

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Top Line Performance Metrics

- Plan Cost Net PMPM increased \$9.45 (+7.9%) to \$128.46, primarily driven by the Unit Cost Trend Component
- Specialty Plan Cost Net PMPM increased \$3.98 (+10.4%) to \$42.17, primarily driven by the Specialty Utilization Trend Component
- Generic Fill Rate (GFR) increased 0.3 percentage points to 87.0%, 0.2 percentage points lower than the peer

FELRA 4369				Large Employer - Accom and Food Services	
Description	2019	2018	Change		
Avg Subscribers per Month	12,724	13,134	-3.1%		
Avg Members per Month	20,196	21,022	-3.9%		
Number of Unique Patients	15,045	16,059	-6.3%		
Pct Members Utilizing Benefit	74.5%	76.4%	-1.9		
Total Plan Cost Net	\$31,132,347	\$30,022,182	3.7%		
Total Days	12,142,296	12,244,342	-0.8%		
Total Adjusted Rxs	447,811	452,798	-1.1%		
Average Member Age	46.3	45.6	1.5%		
Plan Cost Net PMPM	\$128.46	\$119.01	7.9%	2019	Change
Plan Cost Net/Day	\$2.56	\$2.45	4.6%	44.0	
Plan Cost Net per Adjusted Rx	\$69.52	\$66.30	4.9%	\$98.55	4.1%
Nbr Adjusted Rxs PMPM	1.85	1.79	2.9%	\$2.74	0.9%
Generic Fill Rate	87.0%	86.7%	0.3	\$73.52	1.1%
90 Day Utilization	61.7%	58.8%	2.9	1.34	2.9%
Retail - Maintenance 90 Utilization	61.3%	58.4%	2.8	87.2%	0.3
Home Delivery Utilization	0.4%	0.4%	0.0	28.0%	-0.1
Member Cost Net %	9.9%	10.2%	-0.3	6.2%	0.4
Specialty Percent of Plan Cost Net	32.8%	32.1%	0.7	21.8%	-0.5
Specialty Plan Cost Net PMPM	\$42.17	\$38.19	10.4%	11.1%	0.8
Formulary Compliance Rate	98.7%	98.7%	0.0	35.3%	0.6
				\$34.76	5.8%
				98.7%	0.1



Plan Performance

- Plan Cost PMPM increased \$10.89 (+7.6%) to \$154.14
- Member Cost decreased 0.0%, contributing \$0.7K less to the plan
- Rebates reduced Plan Cost PMPM from \$154.14 to \$128.46 (-16.7%)

Plan Performance			
	2019	2018	Change %
AWP	\$82,118,797	\$80,107,272	2.5%
Network & Mail Discount			
Savings (includes dispensing fees)	-\$41,341,620	-\$40,547,831	2.0%
Tax	\$153	\$42	261.2%
Gross Cost	\$40,777,330	\$39,559,483	3.1%
Member Cost	-\$3,421,133	-\$3,421,794	0.0%
Plan Cost	\$37,356,197	\$36,137,689	3.4%
Rebates*	-\$6,223,850	-\$6,115,508	1.8%
Plan Cost Net	\$31,132,347	\$30,022,182	3.7%
Members	20,196	21,022	-3.9%
Gross Cost Net PMPM	\$142.58	\$132.58	7.5%
Plan Cost PMPM	\$154.14	\$143.25	7.6%
Plan Cost Net PMPM	\$128.46	\$119.01	7.9%

* Rebates are estimated based on paid and expected to be paid amounts. Actual rebate payments may differ from estimates.



Key Statistics: Specialty Detailed

- Your Specialty Plan Cost Net PMPM is \$7.41 higher than your peer, and trending 4.6 points higher
- You have 362 unique specialty patients, a decrease of 36 specialty patients

FELRA 4369						
Description	Non-Specialty			Specialty		
	2019	2018	Change	2019	2018	Change
Avg Subscribers per Month	12,724	13,134	-3.1%	12,724	13,134	-3.1%
Avg Members per Month	20,196	21,022	-3.9%	20,196	21,022	-3.9%
Number of Unique Patients	15,037	16,052	-6.3%	362	398	-9.0%
Pct Members Utilizing Benefit	74.5%	76.4%	-1.9	1.8%	1.9%	-0.1
Total Plan Cost Net	\$20,911,664	\$20,387,583	2.6%	\$10,220,683	\$9,634,598	6.1%
Percent of Total Plan Cost Net	67.2%	67.9%	-0.7	32.8%	32.1%	0.7
Total Days	12,084,614	12,189,095	-0.9%	57,682	55,247	4.4%
Total Adjusted Rxs	445,707	450,769	-1.1%	2,104	2,029	3.7%
Percent of Total Adjusted Rxs	99.53%	99.55%	0.0	0.47%	0.45%	0.0
Plan Cost Net PMPM	\$86.29	\$80.82	6.8%	\$42.17	\$38.19	10.4%
Plan Cost Net/Day	\$1.73	\$1.67	3.5%	\$177.19	\$174.39	1.6%
Plan Cost Net per Adjusted Rx	\$46.92	\$45.23	3.7%	\$4,857.74	\$4,748.45	2.3%
Nbr Adjusted Rxs PMPM	1.84	1.79	2.9%	0.009	0.008	7.9%
Generic Fill Rate	87.4%	87.0%	0.3	11.5%	11.9%	-0.4
Member Cost Net %	11.7%	12.1%	-0.4	6.1%	6.1%	0.0

Specialty Large Employer - Accom and Food Services	
2019	Change
\$34.76	5.8%
\$191.63	-4.2%
\$5,335.81	-4.1%
0.007	10.3%
11.6%	0.0
8.9%	3.0



Top 10 Indications

- The largest financially impactful change was in Inflammatory Conditions, driving \$1.1M in increased net cost from a 34.6% increase in Net PMPM
- Multiple Sclerosis trend increased 35.5%, contributing an additional \$1.73 to Net PMPM
- Generic Fill Rate (GFR) in HIV lags your peer by 10.1 points

Represent
67.5%
Of Your Total
Plan Cost Net

Top Indications by Plan Cost Net															
2019										2018				% Change	
AUM Strategy	Rank	Peer Rank	Indication	Adjusted Rxs	Patients	Plan Cost Net	Generic Fill Rate	Generic Fill Rate	Plan Cost Net PMPM	Rank	Adjusted Rxs	Patients	Generic Fill Rate	Plan Cost Net PMPM	Plan Cost Net PMPM
ST/PA/NPF/DQM	1	3	DIABETES	37,983	2,210	\$6,244,115	52.3%	52.0%	\$25.76	1	36,788	2,201	53.8%	\$22.18	16.2%
ST/PA/NPF/DQM	2	1	INFLAMMATORY CONDITIONS	2,505	264	\$5,037,622	55.8%	56.0%	\$20.79	2	2,393	262	57.5%	\$15.44	34.6%
ST/PA/NPF/DQM	3	2	CANCER	1,495	191	\$2,957,076	83.6%	83.1%	\$12.20	3	1,523	195	81.7%	\$12.05	1.3%
NPF	4	4	HIV	945	79	\$2,174,731	5.5%	15.6%	\$8.97	5	1,011	87	8.0%	\$8.43	6.5%
ST/PA/NPF/DQM	5	5	PAIN/INFLAMMATION	33,831	6,365	\$2,139,710	94.1%	95.3%	\$8.83	4	35,973	6,920	93.2%	\$8.93	-1.1%
ST/PA/NPF/DQM	6	7	MULTIPLE SCLEROSIS	228	24	\$1,599,189	14.9%	19.0%	\$6.60	8	185	20	12.4%	\$4.87	35.5%
PA/NPF	7	8	ANTICOAGULANT	5,459	661	\$1,453,346	32.8%	32.2%	\$6.00	9	5,219	618	40.3%	\$4.67	28.4%
ST/NPF/DQM	8	6	HIGH BLOOD PRESS/HEART DISEASE	109,008	6,566	\$1,450,537	98.4%	98.5%	\$5.99	7	108,260	6,662	98.2%	\$5.47	9.3%
ST/PA/NPF/DQM	9	10	ASTHMA	12,422	2,288	\$1,417,371	41.1%	39.0%	\$5.85	6	13,453	2,591	39.5%	\$5.68	3.0%
ST/PA/NPF/DQM	10	9	HIGH BLOOD CHOLESTEROL	46,559	4,590	\$758,386	98.5%	97.6%	\$3.13	12	45,292	4,519	98.7%	\$2.85	9.9%
			Total Top 10:	250,435		\$25,232,084	85.6%		\$104.11		250,097		85.8%	\$90.56	15.0%
			Differences Between Periods:	338		\$2,386,351	-0.2%		\$13.55						

Peer = Express Scripts Peer 'Large Employer - Accom and Food Services' market segment



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Top 25 Drugs

- Represent 39.4% of your total Plan Cost Net and comprise 10 indications
- 12 of your top 25 are specialty drugs, making up 50.7% of your Top 25 spend

Top Drugs by Plan Cost Net

2019														2018			% Change
AUM Strategy	Rank	Peer Rank	Brand Name	Indication	Adj. Rx	Pts.	Plan Cost Net	Plan Cost Net PMPM	Rank	Adj. Rx	Pts.	Plan Cost Net PMPM	Plan Cost Net PMPM				
T/PA/NPF/DQM	1	1	HUMIRA PEN*	INFLAMMATORY CONDITIONS	184	25	\$1,032,900	\$4.26	1	220	27	\$4.49	\$4.26				-5.1%
PA/NPF	2	5	ELIQUIS	ANTICOAGULANT	2,306	309	\$869,859	\$3.59	3	1,797	255	\$2.52	\$3.59				42.3%
PA/NPF/DQM	3	6	TRULICITY	DIABETES	1,212	151	\$818,217	\$3.38	2	1,031	139	\$2.64	\$3.38				28.1%
ST/NPF/DQM	4	10	JANUVIA	DIABETES	1,666	210	\$648,575	\$2.68	4	1,708	216	\$2.51	\$2.68				6.5%
ST/PA/NPF	5	7	ENBREL SURECLICK*	INFLAMMATORY CONDITIONS	132	19	\$634,623	\$2.62	5	121	16	\$2.13	\$2.62				23.1%
ST/NPF	6	8	TECFIDERA*	MULTIPLE SCLEROSIS	80	9	\$617,437	\$2.55	17	47	4	\$1.36	\$2.55				87.4%
PA/NPF/DQM	7	13	IMBRUVICA*	CANCER	56	5	\$604,517	\$2.49	7	47	4	\$2.03	\$2.49				22.6%
PA/NPF	8	2	REVLIMID*	CANCER	45	5	\$576,037	\$2.38	10	33	3	\$1.80	\$2.38				32.2%
ST/PA/NPF	9	4	HUMIRA(CF) PEN*	INFLAMMATORY CONDITIONS	101	17	\$566,870	\$2.34	328	4	3	\$0.07	\$2.34				3066.6%
ST/PA/NPF	10		HAEGARDA*	HEREDITARY ANGIOEDEMA	26	1	\$511,542	\$2.11	8	26	1	\$1.99	\$2.11				6.1%
PA/NPF	11	11	XARELTO	ANTICOAGULANT	1,190	155	\$460,825	\$1.90	14	1,105	152	\$1.57	\$1.90				21.5%
ST/NPF/DQM	12	20	JARDIANCE	DIABETES	1,038	133	\$449,728	\$1.86	23	675	100	\$1.09	\$1.86				69.8%
NPF	13	53	LANTUS SOLOSTAR	DIABETES	1,445	176	\$428,484	\$1.77	11	1,624	197	\$1.77	\$1.77				-0.1%
NPF	14	12	BIKTARVY	HIV	139	17	\$417,628	\$1.72	88	33	8	\$0.38	\$1.72				350.6%
ST/PA/NPF	15	3	STELARA*	INFLAMMATORY CONDITIONS	50	7	\$417,150	\$1.72	31	31	5	\$0.97	\$1.72				77.7%
NPF	16	42	HUMALOG KWIKPEN U-100	DIABETES	1,169	181	\$414,366	\$1.71	12	1,310	205	\$1.72	\$1.71				-0.9%
PA/NPF/DQM	17	39	SYMBICORT	ASTHMA	1,226	271	\$348,012	\$1.44	15	1,315	295	\$1.41	\$1.44				1.7%
ST/PA/NPF	18	16	COSENTYX PEN (2 PENS)*	INFLAMMATORY CONDITIONS	59	8	\$338,515	\$1.40	27	54	6	\$1.02	\$1.40				37.3%
NPF	19	26	TRIUMEQ	HIV	123	13	\$332,894	\$1.37	22	105	11	\$1.11	\$1.37				23.8%
ST/PA/NPF	20	15	OTEZLA*	INFLAMMATORY CONDITIONS	97	14	\$322,333	\$1.33	20	92	17	\$1.14	\$1.33				17.1%
ST/NPF	21	62	GILENYA*	MULTIPLE SCLEROSIS	41	4	\$316,980	\$1.31	19	42	4	\$1.20	\$1.31				8.8%
ST/NPF/DQM	22	50	JANUMET	DIABETES	752	91	\$290,326	\$1.20	24	738	90	\$1.05	\$1.20				14.0%
T/PA/NPF/DQM	23	36	EPCLUSA*	HEPATITIS C	12	4	\$288,334	\$1.19	26	11	5	\$1.04	\$1.19				14.2%
NPF	24	92	ODEFSEY	HIV	106	11	\$283,266	\$1.17	25	102	10	\$1.05	\$1.17				11.8%
T/PA/NPF/DQM	25	66	OXYCONTIN	PAIN/INFLAMMATION	565	67	\$282,523	\$1.17	21	591	74	\$1.11	\$1.17				5.0%
Total Top 25:					13,820		\$12,271,942	\$50.64		12,862		\$39.17	\$50.64				29.3%
Differences Between Periods:					958		\$2,390,469	\$11.47									

*Specialty Drugs

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Clinical Savings and Impact

Plan Cost Savings			
Program	Current 2019	Previous 2018	Change
Pre Clinical Programs	\$48.1 M	\$48.6 M	-1.12%
Plan Cost PMPM	\$198.27	\$192.64	4.4%
AUM	\$366 K	\$505 K	-27.5%
CDUR	\$3.2 M	\$3.6 M	-9.4%
RDUR	\$86 K	\$109 K	-21.1%
RationalMED	\$0	\$0	0.0%
Interchange	\$343	\$4 K	-90.5%
NPF	\$7.0 M	\$8.3 M	-15.3%
Savings	\$10.7 M	\$12.5 M	-14.2%
Post Clinical Programs	\$37.4 M	\$36.1 M	3.37%
Plan Cost PMPM	\$154.14	\$143.25	5.17%

**Clinical Programs
reduced Plan Cost
PMPM by 22.3%
(-\$44.13)**

AUM - Advanced Utilization Management

CDUR - Concurrent Drug Utilization Review (health and safety edits)

RDUR - Retrospective Drug Utilization Review

RationalMED - Clinical Outreach Program that includes messaging to physicians, pharmacists, and members (optional) regarding health and safety issues.

Interchange - Consists of two primary programs

1. The first targets Multi-Source Brand drugs with DAW 1 or 2 alerting patients or prescribers of a Generic equivalent.
2. The second program targets non-preferred Single-Source Brand drugs alerting prescribers of a therapeutically equivalent lower cost Generic alternative or Preferred Brand.

NPF - National Preferred Formulary

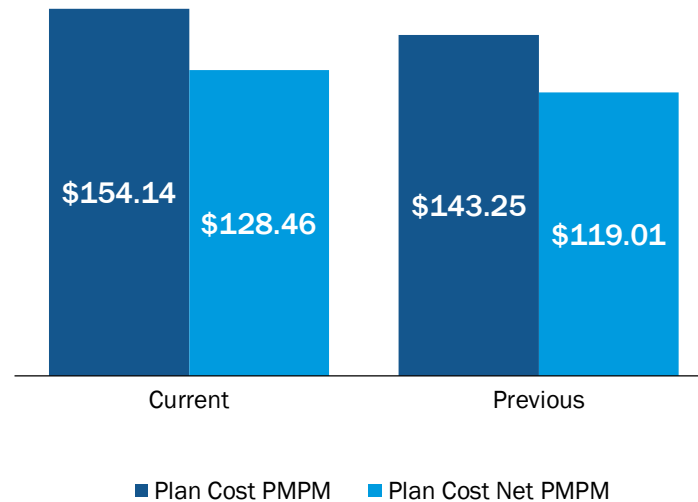
Program fees are not included in these savings numbers



Value of Rebates

- FELRA 4369 earned \$6.2M in manufacturer rebates in 2019
- Rebates reduced Plan Cost PMPM from \$154.14 to \$128.46 (-16.7%)
- Drug trend after rebates was 7.9%

Rebates*			
Program	Current 2019	Previous 2018	Change
Retail	\$4,682,450	\$4,791,208	-2.3%
Home Delivery	\$1,541,400	\$1,324,300	16.4%
Total	\$6,223,850	\$6,115,508	1.8%



* Rebates are estimated based on paid and expected to be paid amounts. Actual rebate payments may differ from estimates.





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