

Your Collaborative Planning Guide

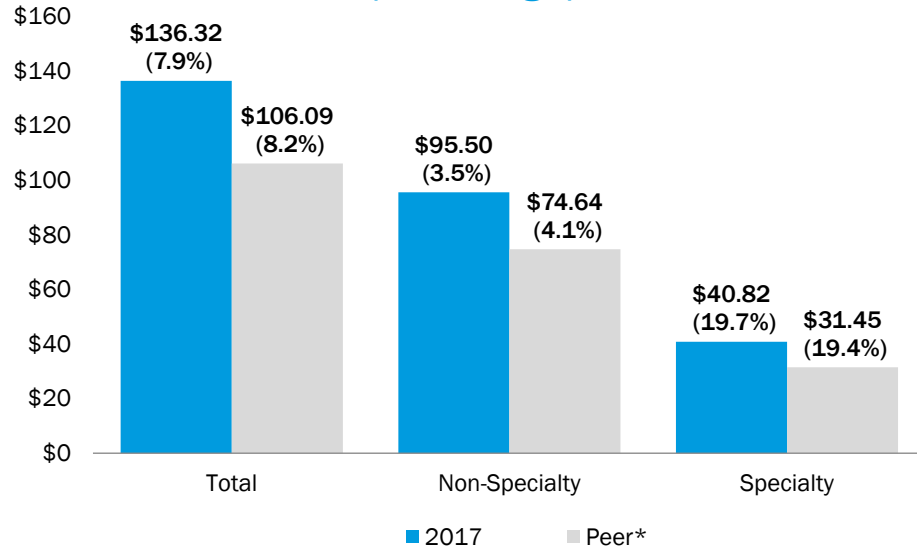
FELRA 4369

February 2018

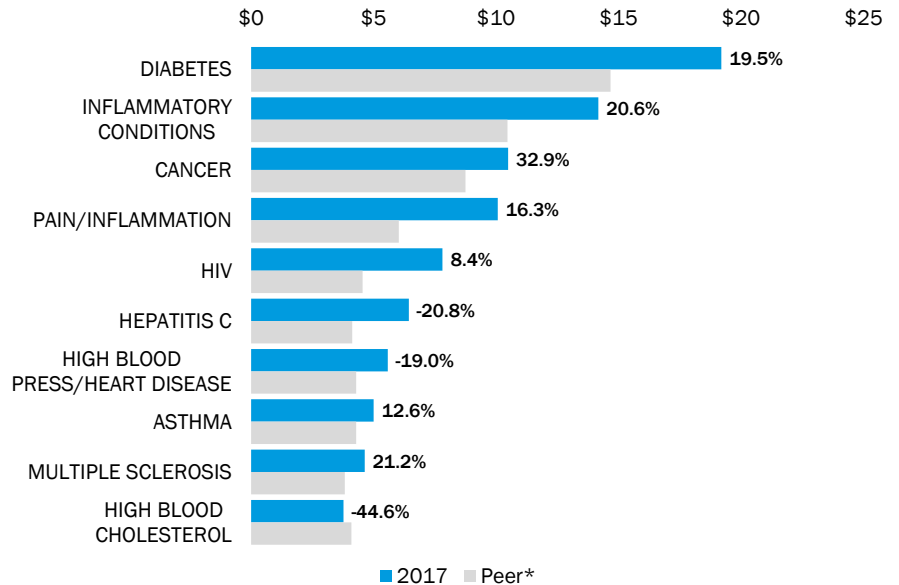


Trend Dashboard – How Your Plan Compares

Plan Cost PMPM (% Change)



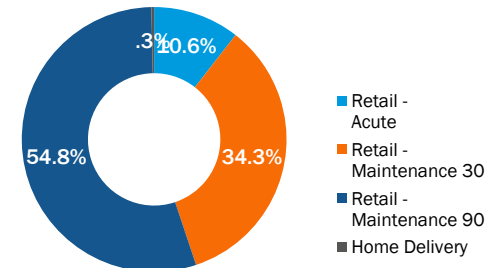
Plan Cost PMPM by Indication



FELRA 4369			
Description	2017	2016	Change
Average Members per Month	21,803	22,608	-3.6%
Total Plan Cost	\$35,665,855	\$34,282,099	4.0%
Average Member Age	45.0	44.3	1.5%
Total Plan Cost PMPM	\$136.32	\$126.36	7.9%
Non-Specialty Plan Cost PMPM	\$95.50	\$92.25	3.5%
Specialty Plan Cost PMPM	\$40.82	\$34.12	19.7%
Generic Fill Rate	86.3%	84.9%	1.4
Retail 90 Conversion Rate	61.5%	59.6%	1.9
Home Delivery Utilization	0.3%	0.3%	0.1
Member Cost %	9.0%	8.9%	0.0
Specialty Percent of Plan Cost	29.9%	27.0%	2.9

Peer*	
2017	Change
43.0	
\$106.09	8.2%
\$74.64	4.1%
\$31.45	19.4%
86.8%	1.3
8.1%	-0.2
24.0%	-0.2
8.5%	-0.1
29.6%	2.8

Days Supply by Channel



Peer = Express Scripts Peer 'Labor - United Food and Commercial Workers International' market segment



Confidential Information

© 2018 Express Scripts Holding Company. All Rights Reserved.



EXPRESS SCRIPTS®

Market trends that will impact your plan



Pipeline: Heavy specialty, plus the promise of biosimilars

200+

specialty drugs in phase II or later or awaiting FDA approval¹

2/3

of anticipated 2018 approvals are for specialty drugs

\$250B

potential cost savings to plan sponsors and patients with the approval of 11 biosimilars over the next decade²

**SEVERAL NEW DRUGS
POTENTIALLY COMING
IN 2018 FOR:**

migraines, diabetes,
cancer, inflammatory
conditions, and orphan
conditions

.....

**PLUS GENERIC
ALTERNATIVES TO:**

Advair Diskus[®], Cialis[®],
Epipen[®], and Viagra[®]
should all be available



1. Express Scripts pipeline report; 2. Express Scripts Lab Article



Confidential Information

© 2018 Express Scripts Holding Company. All Rights Reserved.

 **EXPRESS SCRIPTS[®]**

Gene therapy: The rising cost of life-saving treatment



83%

Overall remission rate among patients within three months of treatment³



\$475K

Price per treatment of Kymriah[®], one of two treatments approved in 2017²; the other, Yescarta[®], is \$373K per treatment¹



1,500

Additional treatments currently in R&D² with the FDA speeding up the review process to approve treatments⁴



1. <https://www.nytimes.com/2017/10/18/health/immunotherapy-cancer-kite.html>
2. <http://lab.express-scripts.com/lab/insights/drug-options/gene-therapy-holds-great-promise-but-big-price>

3. <https://www.fda.gov/NewsEvents/Newsroom/PressAnnouncements/ucm574058.htm>
4. <https://www.nytimes.com/2017/11/16/health/fda-gene-cell-therapy.html>

Rare diseases: A new reality

Rare and complex diseases present cost and care challenges for payers and patients



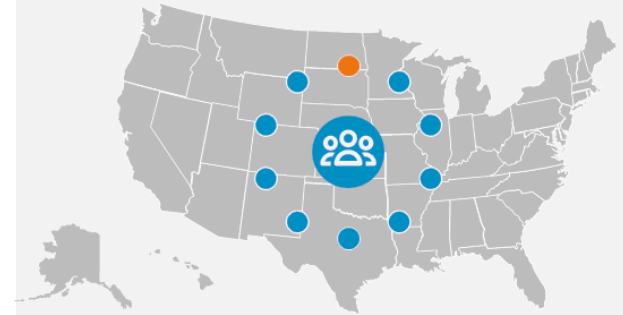
30M Americans¹ impacted by 7,000 known rare diseases - more than half of these patients are children



An accurate diagnosis² takes an average of five years, with patients seeing as many as seven physicians during that time



The world's top 10³ most expensive drugs are orphan drugs which cost \$450-\$702K/year



Patients with rare and complex diseases are contributing to a growing proportion of total pharmacy spend and payers shoulder the majority of the cost burden.⁴



1. National Organization for Rare Disorders (NORD) Fact Sheet

2. Schieppati, Arrigo, et al. "Why rare diseases are an important medical and social issue." The Lancet 371.9629 (2008): 2039-2041. Rare Daily Global Genes <https://globalgenes.org/raredaily/accurate-diagnosis-of-rare-diseases-remains-difficult-despite-strong-physician-interest/>

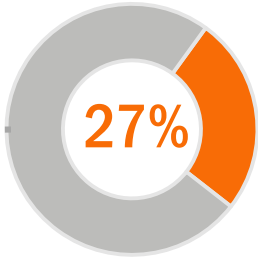
3. Medscape, "Rare Disease Treatments Make Up Top 10 Most Costly Drugs," <http://www.medscape.com/viewarticle/879422>

4. Express Scripts 2017 Super Spending Report

Value-based care: Balancing cost with quality outcomes



As innovative therapies come to market, clinical and financial models must evolve to **deliver better health outcomes.**



Of health plan organizations have completed pilot programs or are some stage of rollout of value-based plan designs¹



Adherence, pharmacy & physician networks, predictive analytics and value-based pricing can influence this model

1. <https://www.mercer.com/newsroom/national-survey-of-employer-sponsored-health-plans-2016.html>

2. McKesson; The State of Value-Based Reimbursement and the Transition from Volume to Value in 2014; Sept. 2014



Approximately 15% of payers and 22% of providers characterize pay-for-performance as “very difficult” or “extremely difficult” to implement.²

Patient care: An on-demand approach is here to stay

Physician

71% of physicians are now using tablets, with over half of them using one at point-of-care¹

Real-time data within the Electronic Health Record provides cost transparency and formulary decision-making at the point of prescribing

Patient

59% of patients use at least one mobile health app or service¹

With health tips at our fingertips, personalization and technology changes behavior and drive long-term health outcomes²

1. <http://therigy.com/technology-evolves-improve-medication-adherence-specialty-pharmacy-patients/>

2. <https://hbr.org/2013/10/employee-engagement-drives-health-care-quality-and-financial-returns>

3. <http://medicaleconomics.modernmedicine.com/medical-economics/news/how-mix-tech-and-personalization-helps-improve-adherence-and-outcomes?page=0,1>



“Digital innovations have now made it possible for consumers to use portable devices to access their medical information, monitor their vital signs, take tests at home and carry out a wide range of tasks.”³

Opioids: A national health emergency we can't ignore

6/10

overdose deaths involve an opioid¹

\$73B

direct medical cost for employers from opioid poisonings ER visits²

50%

of patients taking a 30 days supply of opiate painkillers for 30+ days in year 1 of use, continue to use them for 3+ years

\$9K

average amount per worker that payers are spending on overall healthcare issues related to opioid dependence⁴

Government regulation, coordination of care, and education are all imperative to stop the crisis.

1. Centers for Disease Control and Prevention, <https://www.cdc.gov/drugoverdose/epidemic/index.html>

2. Centers for Disease Control and Prevention, https://www.cdc.gov/drugoverdose/pdf/hhs_prescription_drug_abuse_report_09.2013.pdf

3. <http://lab.express-scripts.com/lab/insights/drug-safety-and-abuse/why-abuse-deterrent-is-a-misnomer/>

4. Castlight Health <http://www.castlighthealth.com/typ/the-opioid-crisis/>

Opioids continues to lead in top news stories:

Employers Take Steps to Address Opioid Crisis

C.D.C. Reports a Record Jump in Drug Overdose Deaths Last Year

Combating opioid epidemic in the workplace starts with the boss

Is There a Way to Keep Using Opioid Painkillers and Reduce Risk?



Aging population: Driving increasingly heavy spend

~50%

of all members with annual prescription drug costs over \$50,000 in 2016 were Baby Boomers¹

97.1%

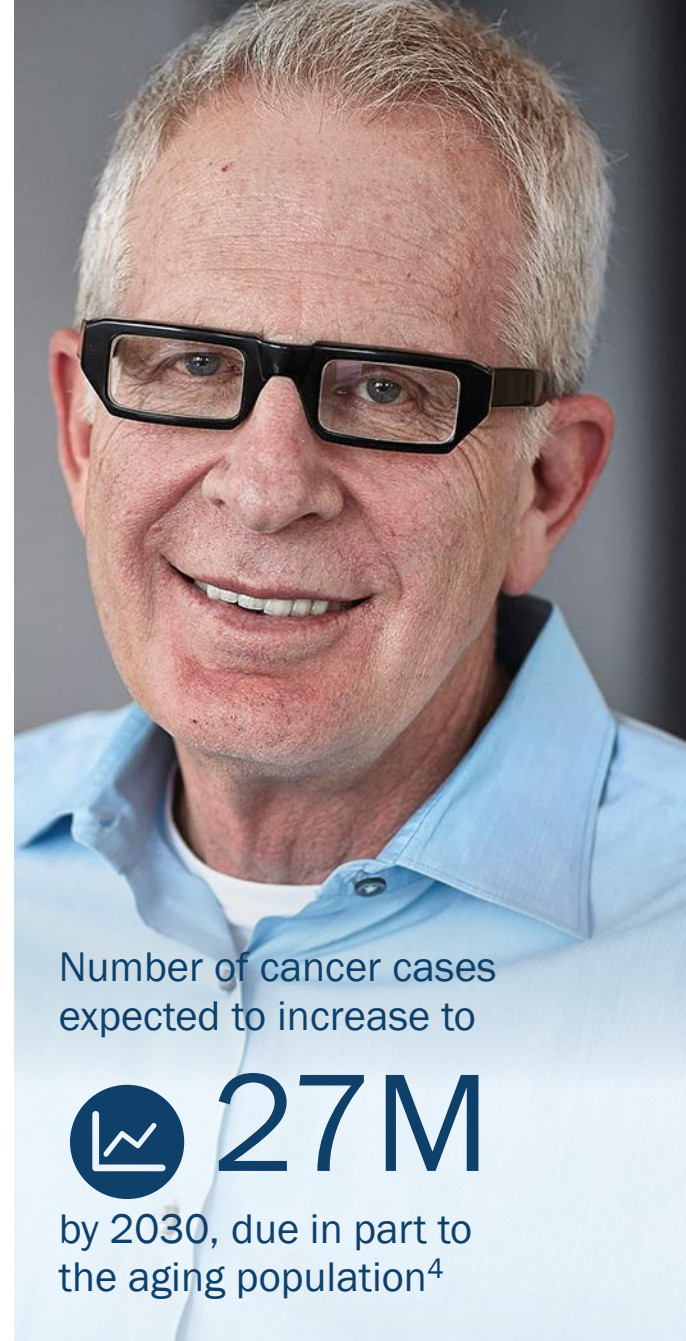
of prescription costs over \$50,000 for Medicare members were paid by their plans in 2016²

57.6%

of costs for members of the Greatest Generation, with \$50,000+ in prescription drug costs are in oncology medications³

1, 2, 3 Express Scripts Super Spenders Report 2016

4 Suzman R, Beard J. Global health and aging: preface. National Institute on Aging website. www.nia.nih.gov/research/publication/global-health-and-aging/preface. Published October 2011. Updated January 22, 2015. Accessed August 1, 2015.



Number of cancer cases expected to increase to

 **27M**

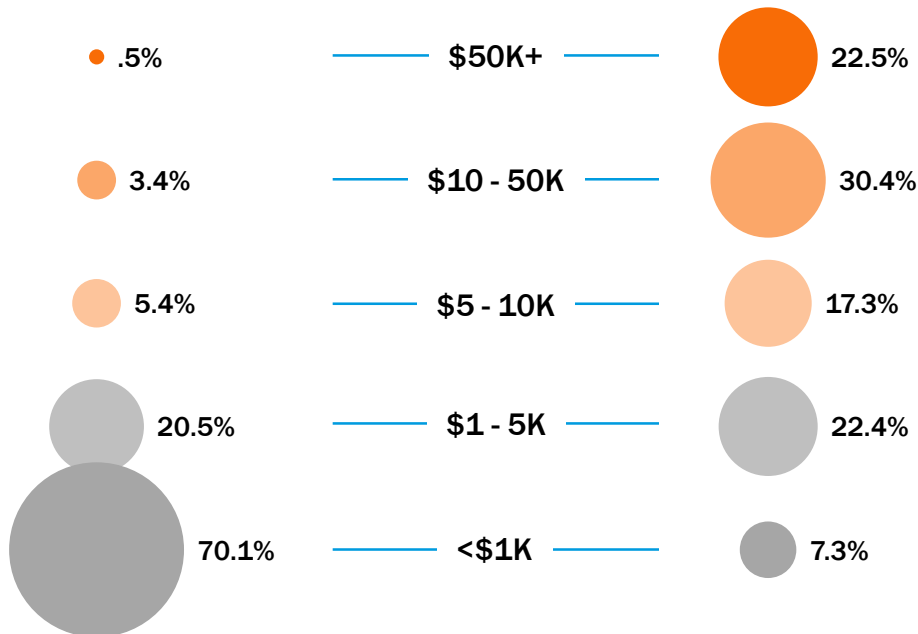
by 2030, due in part to the aging population⁴

Super Spending Patients

- According to a recent ESI Lab article, nearly 0.3% of members had annual medication costs at or greater than \$50,000 in 2016, a 35% increase from 2014.*

% Patients

% Plan Cost



Over
22.5%
of your plan cost
is being driven
by just
.5%
of your patients
using over \$50K

*October 3, 2017 Express Scripts Lab: Super Spending: Caring for People Whose Needs are Greatest



Confidential Information

© 2018 Express Scripts Holding Company. All Rights Reserved.



EXPRESS SCRIPTS®

11

What's next



Your top opportunities

OPPORTUNITY	RECOMMENDATION
Decrease Drugs cost in Specialty	SaveOn SP
Managing Drug Spend from a clinical perspective	Advanced Utilization Management



Client Savings - FELRA

CLIENT EXAMPLE

- **21.6 K** lives
- **167** members **1,214** refills
- **\$365** average copay per rx

IMPACT FOR PATIENTS AND THE CLIENT



- **\$998 K** annual savings for the plan
- **\$3.85 PMPM** client savings*
- **\$0** member copay

BY IMPLEMENTING SAVEON SP COPAY OFFSET PROGRAM

*Savings based on sponsors utilization, most expansive UTAH state benchmark and ESI National Preferred formulary. Savings may decrease based on sponsors actual utilization, state benchmark and formulary. Savings do not represent any type of guarantee by SaveonSP or ESI.

Clinical Program Recommendation 2017 Summary

FELRA

Advantage Plus AUM Package + Adjunct Specialty PA list

Program Name	Program List	Estimated Patients Flagged	Estimated Net Plan Cost Savings	Estimated Net Plan Cost Savings PMPM	Price per List (PMPM)
Prior Authorization*	Proactive PA List	<i>No savings today</i>			\$0.05
Prior Authorization* Revlimid, Gleevec	Oncology PA Package(includes DQM)	17	\$22,761	\$0.08	\$0.15
Prior Authorization* Avonex, Copaxone	Limited PA	42	\$85,497	\$0.32	\$0.06
Prior Authorization* Enbrel, Humira	Advantage PA	476	\$495,990	\$1.83	\$0.20
Prior Authorization* Xalreto, Suboxone, Eliquis	Advantage Plus	558	\$204,466	\$0.75	\$0.06
Prior Authorization* Restasis, Top test	Non Essential PA <i>includes ED (running ED PA)</i>	334	\$74,567	\$0.27	\$0.10
Prior Authorization* Hepatitis C^	Pharmacogenomic PA ^	42	\$707,611	\$2.61	\$0.10
<i>Prior Authorization* Prolia, Lupron</i>	<i>Adjunctive Specialty PA List</i>	36	\$5,912	\$0.02	\$0.05
Step Therapy*** NSAIDs, Tetracyclines	Limited Step w GF	578	(\$18,543)	(\$0.07)	\$0.20
Step Therapy*** ARB, HMG	Advantage Step w GF	66	\$32,306	\$0.12	\$0.06
Step Therapy*** ADHD, SSRI, Triptans	Advantage Plus Step w GF	299	(\$261,547)	(\$0.96)	\$0.06
DQM* Top Pain, Astham/COPD	Limited DQM <i>running some (ED DQM)</i>	331	\$76,737	\$0.28	\$0.10
DQM* Hep C DQM, Inflam cond, Pain Narc	Advantage DQM	248	\$549,327	\$2.02	\$0.10
DQM* Mental/Neurological disorders	Advantage Plus DQM	316	\$19,637	\$0.07	\$0.03
Preferred Specialty Management Step** Generic Specialty, Biosimilars	PSMS -Step for Specialty w GF - <i>Running Infertility, GH</i>	128	\$414,991	\$1.60	\$0.12
Totals		3471	\$2,409,712	\$8.94	\$1.44

Auto-Updates
current pmpm fee \$0.43 pmpm, additional \$0.82
pmpm ROI = 11 to 1

Guarantee 4 to 1 (\$4.80 to \$1.20 pmpm)

Price ala carte

\$1.46

ROI 6 to 1

Package discount

\$1.25 PMPM

ROI 7.2 to 1

*Estimated Savings based modeling 2016 , Net fees and this is additional plan Savings over current programs

REQUESTED through our analyst

***Implementation of clinical rules may impact rebate results, Rebate impact accounted for in modeling

^ NPF exclusion step process may impact overall savings



Minimum PA/DQM lists largest ROI

Min Recommendation - Full Lists					
Program Name	Program List	Estimated Patients Flagged	Estimated Net Plan Cost Savings	Estimated Net Plan Cost Savings PMPM	Price per List (PMPM)
Prior Authorization* Enbrel, Humira	Advantage PA	476	\$495,990	\$1.83	\$0.20
Prior Authorization* Hepatitis C^	Pharmacogenomic PA ^	42	\$707,611	\$2.61	\$0.10
DQM* Hep C DQM, Inflam cond, Pain Narc	Advantage DQM	248	\$549,327	\$2.02	\$0.10
Preferred Specialty Management Step** Generic Specialty, Biosimilars	PSMS -Step for Specialty w GF <i>-Running Infertility, GH</i>	128	\$414,991	\$1.60	\$0.12
	Total # member impacted	766	\$2,167,919	\$8.06	\$0.52
Auto-Updates Full LISTs			Cost PMPM =	\$0.52	ROI 16 to 1

current pmpm fee \$0.43 pmpm, additional \$0.52 pmpm ROI = 16 to 1 = New total would be \$0.95 pmpm

Current pmpm fee \$0.43 pmpm, additional \$0.52 pmpm ROI = 16 to 1 = New total would be \$0.95 pmpm

*Estimated Savings based modeling 2016 , Net fees and this is additional plan Savings over current programs

PSMS is Client specific modeling.

*****Implementation of clinical rules may impact rebate results, Rebate impact accounted for in modeling**

^ NPF exclusion step process may impact overall savings



Supplemental data



Plan Performance

- Plan Cost PMPM increased \$9.95 (+7.9%) to \$136.32, driven by a increase in overall cost
- Total Member Cost increased 0 percentage points, saving you approximately \$0.1M dollars
- Rebates reduced Plan Cost PMPM from \$136.32 to \$114.98 (-15.7%)

Plan Performance			
	2017	2016	Change %
AWP	\$78,676,000	\$73,851,975	6.5%
Network & Mail Discount Savings (includes dispensing fees)	-\$39,501,476	-\$36,202,058	9.1%
Tax	\$183	\$376	-51.5%
Gross Cost	\$39,174,706	\$37,650,293	4.0%
Member Cost	-\$3,508,851	-\$3,368,194	4.2%
Plan Cost	\$35,665,855	\$34,282,099	4.0%
Rebates*	-\$5,583,543	-\$3,752,840	48.8%
Net Cost	\$30,082,312	\$30,529,259	-1.5%

Members	21,803	22,608	-3.6%
Gross Cost Net PMPM	\$128.39	\$124.95	2.8%
Plan Cost PMPM	\$136.32	\$126.36	7.9%
Plan Net Cost PMPM	\$114.98	\$112.53	2.2%

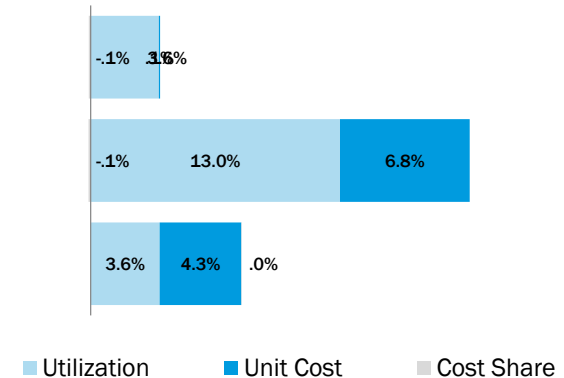
* Rebates are estimated based on paid and expected to be paid amounts. Actual rebate payments may differ from estimates.



Trend Components Plan Cost

- Specialty trend is increasing at 19.7%, being driven primarily by Specialty Utilization

	Plan Cost PMPM	Your Trend
Non-Specialty	\$95.50	3.5%
Specialty	\$40.82	19.7%
Total	\$136.32	7.9%



	Trend Rebate Impact	-5.7%
Plan Cost Net PMPM	\$114.98	2.2%

Rebates reduced costs by
\$5.6 Million

Key Statistics: Specialty Detailed

- Your Specialty Plan Cost PMPM is \$9.37 higher than your peer, and trending 0.2 points higher
- You have 426 unique specialty patients, an increase of 54 specialty patients

FELRA 4369						
Description	Non-Specialty			Specialty		
	2017	2016	Change	2017	2016	Change
Avg Subscribers per Month	13,611	14,173	-4.0%	13,611	14,173	-4.0%
Avg Members per Month	21,803	22,608	-3.6%	21,803	22,608	-3.6%
Number of Unique Patients	16,491	16,922	-2.5%	426	372	14.5%
Pct Members Utilizing Benefit	75.6%	74.8%	0.8	2.0%	1.6%	0.3
Total Plan Cost	\$24,985,648	\$25,026,535	-0.2%	\$10,680,207	\$9,255,564	15.4%
Percent of Total Plan Cost	70.1%	73.0%	-2.9	29.9%	27.0%	2.9
Total Days	12,035,686	12,051,340	-0.1%	56,006	51,393	9.0%
Total Adjusted Rx	447,342	450,379	-0.7%	2,056	1,918	7.2%
Percent of Total Adjusted Rx	99.54%	99.58%	0.0	0.46%	0.42%	0.0
Plan Cost PMPM	\$95.50	\$92.25	3.5%	\$40.82	\$34.12	19.7%
Plan Cost/Day	\$2.08	\$2.08	0.0%	\$190.70	\$180.09	5.9%
Plan Cost per Adjusted Rx	\$55.85	\$55.57	0.5%	\$5,194.65	\$4,825.63	7.6%
Nbr Adjusted Rx PMPM	1.71	1.66	3.0%	0.008	0.007	11.2%
Generic Fill Rate	86.7%	85.2%	1.5	12.5%	16.6%	-4.2
Member Cost %	10.1%	10.0%	0.1	6.2%	5.9%	0.2

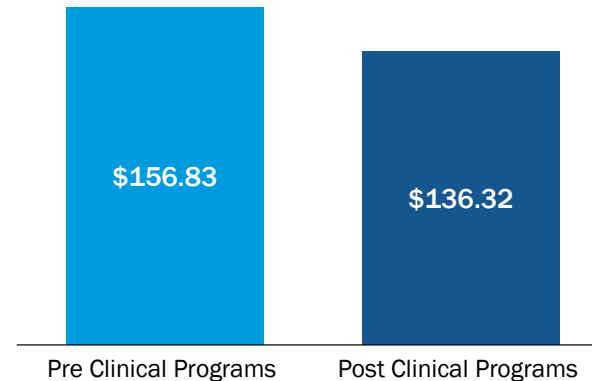
Specialty Labor - United Food and Commercial Workers International	
2017	Change
\$31.45	19.4%
\$200.72	4.1%
\$5,583.76	5.2%
0.006	13.5%
10.2%	-3.7
4.9%	0.5

Clinical Savings and Impact

- FELRA 4369 saved \$5,367,818 by helping patients make clinically appropriate decisions via Clinical Programs
- Savings from these programs decreased Plan Cost PMPM by 13.1%

Plan Cost Savings			
Program	Current 2017	Previous 2016	Change
AUM	\$945,035	\$724,526	30.4%
CDUR	\$3,164,643	\$3,422,961	-7.5%
RDUR	\$116,197	\$56,373	106.1%
RationalMED	\$0	\$0	0.0%
Interchange	\$63	-\$675	-109.4%
NPF	\$1,141,880	\$1,667,902	-31.5%

Plan Cost PMPM



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

The first targets Multi-Source Brand drugs with DAW 1 or 2 alerting patients or prescribers of a Generic equivalent.

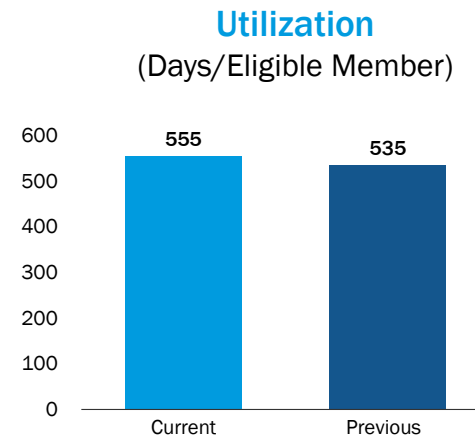
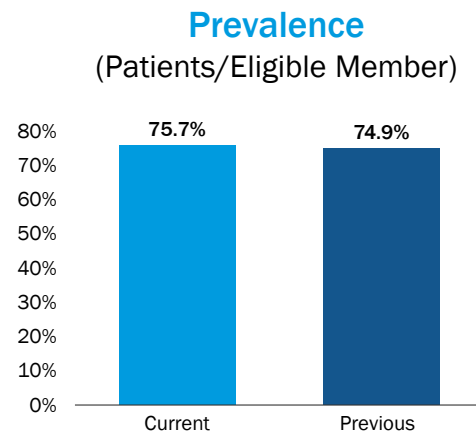
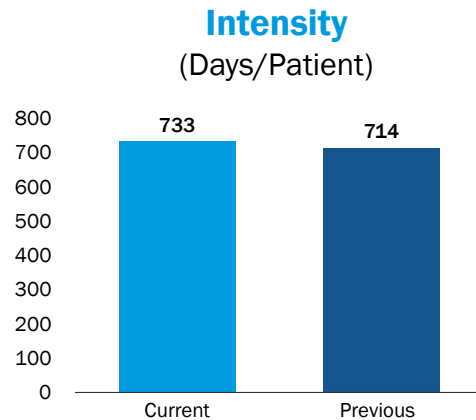
The second program targets non-preferred Single-Source Brand drugs alerting prescribers of a therapeutically equivalent lower cost Generic alternative or Preferred Brand.

NPF - National Preferred Formulary

Program fees are not included in these savings numbers

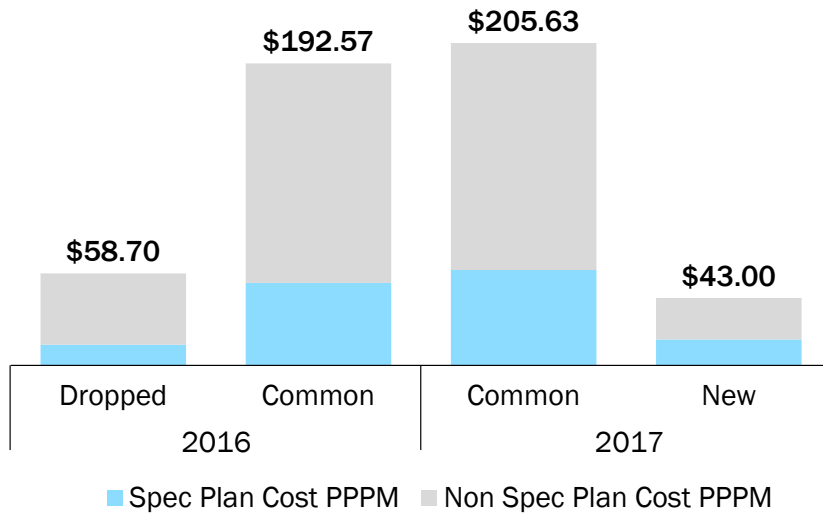
Trend Components: Utilization

- Intensity (days per patient) has increased 2.6%
- Prevalence (patients per member) has increased 0.7 points

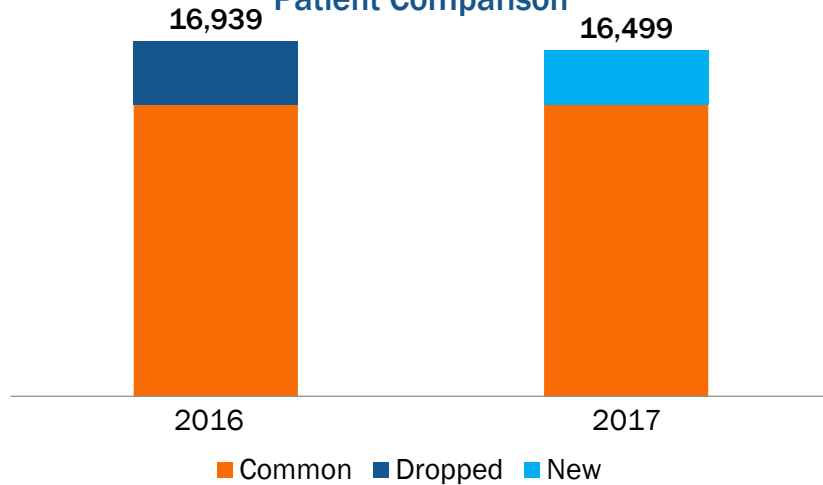


Population Changes Dashboard

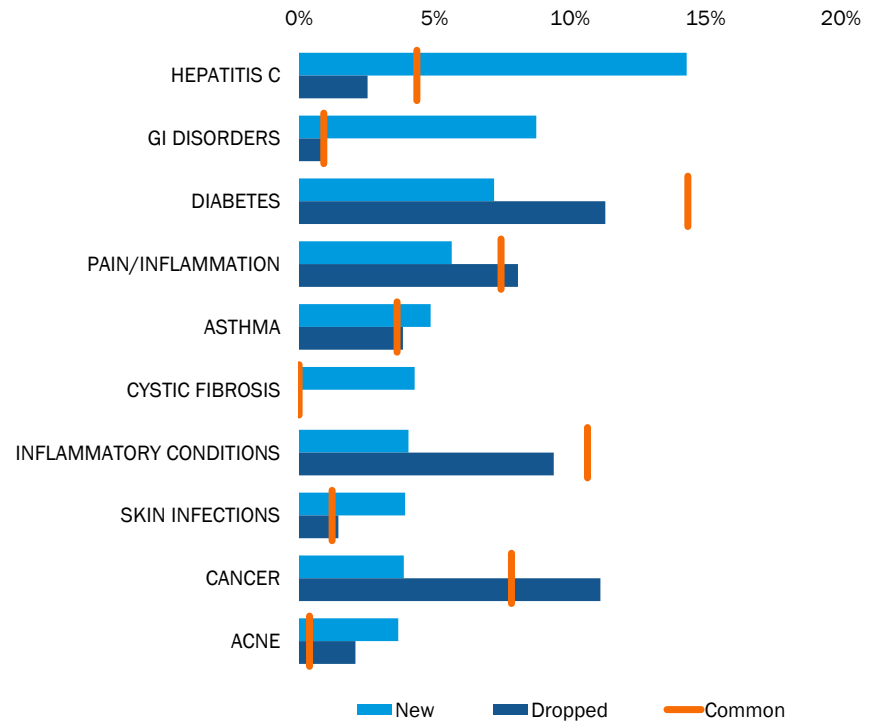
Plan Cost PPPM



Patient Comparison



% of Plan Cost Comparison

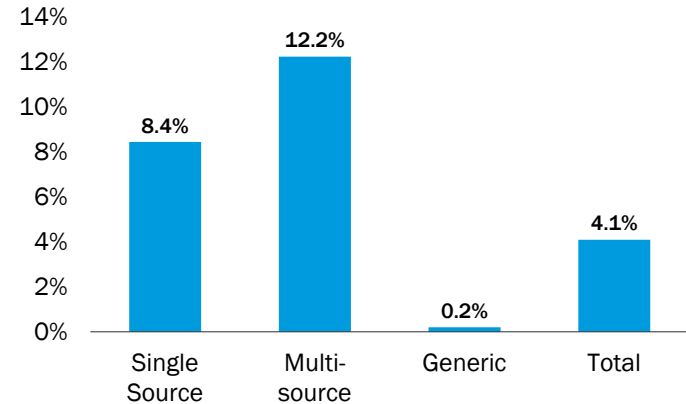


Plan cost/day was
\$0.48 (17.8%)
 for new patients compared
 to dropped patients

Trend Components: Inflation

- Drug inflation accounted for an increase of \$5.21 in PMPM
- Brands nearing patent expiration, specialty drugs, and limited supply drugs are typically the highest price inflated drugs

Drug Inflation



Drug Inflation - Top Impacted Drugs*

			2017			2016			% Change	
Drug Name/ Strength	Specialty Flag	Scheduled Release	AWP	QTY	AWP/ QTY	AWP	QTY	AWP/ QTY	AWP/ QTY	Inflation Impact on AWP
HUMIRA PEN 40MG/0.8ML	Yes	2020	\$1,727,538	650	\$2,657.75	\$1,246,648	528	\$2,361.07	12.6%	\$192,839
ENBREL SURECLICK 50 MG/ML	Yes	N/A	\$739,273	545	\$1,356.76	\$743,860	623	\$1,193.31	13.7%	\$89,064
ALCORTIN A 2 %-1 %-1%	No	N/A	\$305,971	1,536	\$199.20	\$64,555	432	\$149.43	33.3%	\$76,442
PENNSAID 20MG/G(2%)	No	N/A	\$388,390	16,016	\$24.25	\$140,696	6,944	\$20.26	19.7%	\$63,881
DUEXIS 800-26.6MG	No	N/A	\$292,766	9,720	\$30.12	\$29,704	1,254	\$23.69	27.2%	\$62,529
VIAGRA 100 MG	No	2017	\$265,122	3,789	\$69.97	\$249,608	4,531	\$55.09	27.0%	\$56,389
PANTOPRAZOLE SODIUM 40 MG	No	2007	\$825,955	164,298	\$5.03	\$801,682	170,323	\$4.71	6.8%	\$52,632
HUMALOG KWIKPEN U-100 100/ML	No	N/A	\$528,145	12,762	\$41.38	\$526,784	13,917	\$37.85	9.3%	\$45,080
JANUVIA 100 MG	No	2023	\$656,583	42,106	\$15.59	\$551,563	37,937	\$14.54	7.3%	\$44,407
ELIQUIS 5 MG	No	N/A	\$512,043	65,965	\$7.76	\$323,026	45,530	\$7.09	9.4%	\$44,035

*Compounds are excluded from the Top 10 Impacted Drugs



Confidential Information

© 2018 Express Scripts Holding Company. All Rights Reserved.

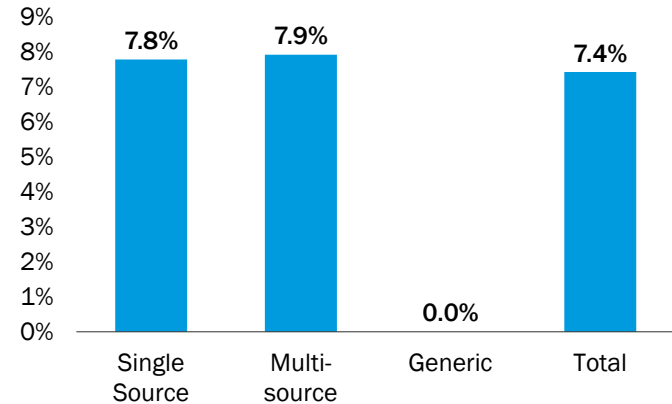


EXPRESS SCRIPTS®

Trend Components: Specialty Inflation

- Drug inflation accounted for an increase of \$2.60 in Specialty PMPM
- Brands nearing patent expiration, specialty drugs, and limited supply drugs are typically the highest price inflated drugs

Drug Inflation

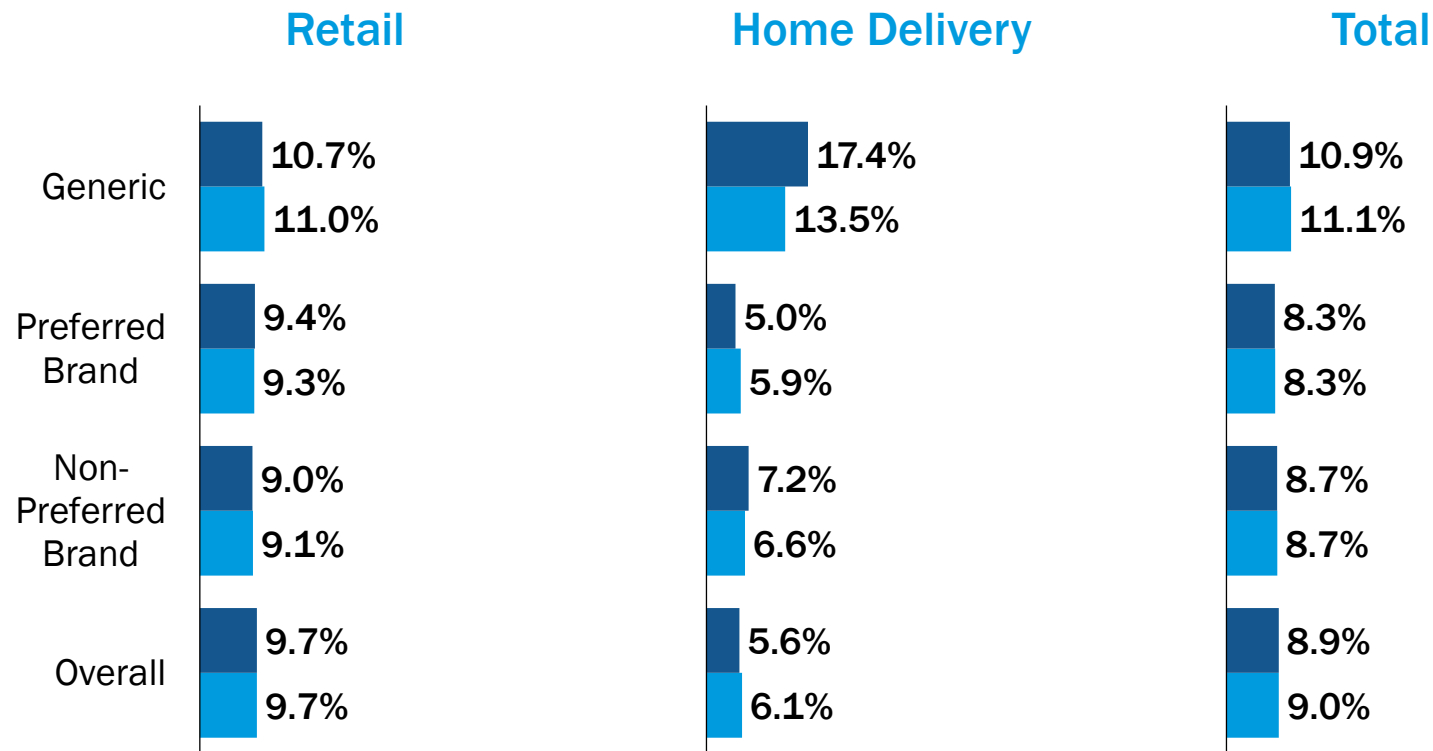


Drug Inflation - Top Impacted Drugs

2017						2016			% Change	
Drug Name/ Strength	Specialty Flag	Scheduled Release	AWP	QTY	AWP/ QTY	AWP	QTY	AWP/ QTY	AWP/ QTY	Inflation Impact on AWP
HUMIRA PEN 40MG/0.8ML	Yes	2020	\$1,727,538	650	\$2,657.75	\$1,246,648	528	\$2,361.07	12.6%	\$192,839
ENBREL SURECLICK 50 MG/ML	Yes	N/A	\$739,273	545	\$1,356.76	\$743,860	623	\$1,193.31	13.7%	\$89,064
TECFIDERA 240 MG	Yes	N/A	\$401,016	2,940	\$136.40	\$370,954	3,000	\$123.65	10.3%	\$37,481
IMBRUVICA 140 MG	Yes	N/A	\$403,113	2,730	\$147.66	\$241,854	1,800	\$134.36	9.9%	\$36,301
GILENYA 0.5 MG	Yes	2019	\$382,130	1,320	\$289.49	\$329,551	1,250	\$263.64	9.8%	\$34,123
OTEZLA 30 MG	Yes	N/A	\$233,924	3,992	\$58.60	\$125,661	2,460	\$51.08	14.7%	\$30,006
IBRANCE 125 MG	Yes	N/A	\$460,448	735	\$626.46	\$148,932	252	\$591.00	6.0%	\$26,063
COSENTYX PEN (2 PENS) 150 MG/ML	Yes	N/A	\$292,238	112	\$2,609.27	\$214,221	90	\$2,380.24	9.6%	\$25,652
ENBREL 50 MG/ML	Yes	N/A	\$212,803	157	\$1,357.16	\$159,216	133	\$1,194.59	13.6%	\$25,490
REVLIMID 10 MG	Yes	2020	\$171,439	231	\$742.16	\$27,058	42	\$644.25	15.2%	\$22,618

Trend Components: Member Cost

- Overall Member Cost is 9.0% a 0 point increase over previous period



Previous Member
Cost %

Current Member
Cost %



Top 10 Indications

- The largest financially impactful change was in Diabetes driving \$0.7M in cost from a 19.5% increase in PMPM
- The highest trend is in Cancer at 32.9%, contributing an additional \$2.60 to PMPM
- Generic Fill Rate (GFR) in Multiple Sclerosis lags your peer by 8.5 points

REPRESENT
63.9%
OF YOUR TOTAL
PLAN COST

Top Indications by Plan Cost															
2017										2016					% Change
AUM Strategy	Rank	Peer Rank	Indication	Adjusted Rx	Patients	Plan Cost	Peer Generic Fill Rate	Generic Fill Rate	Plan Cost PMPM	Rank	Adjusted Rx	Patients	Generic Fill Rate	Plan Cost PMPM	Plan Cost PMPM
ST/PA/DQM	1	1	DIABETES	35,967	2,223	\$5,022,724	54.6%	55.8%	\$19.20	1	34,662	2,209	55.8%	\$16.06	19.5%
ST/PA/DQM	2	2	INFLAMMATORY CONDITIONS	2,384	270	\$3,708,079	55.3%	50.3%	\$14.17	2	2,309	274	52.1%	\$11.75	20.6%
ST/PA/DQM	3	3	CANCER	1,554	197	\$2,743,753	82.2%	82.2%	\$10.49	5	1,384	186	83.2%	\$7.89	32.9%
ST/PA/DQM	4	4	PAIN/INFLAMMATION	37,898	7,271	\$2,634,572	92.1%	93.9%	\$10.07	3	40,111	7,636	91.8%	\$8.66	16.3%
PA	5	5	HIV	1,174	97	\$2,042,979	3.6%	4.7%	\$7.81	6	1,225	96	2.9%	\$7.21	8.4%
ST/PA/DQM	6	8	HEPATITIS C	66	23	\$1,683,903	7.6%	4.4%	\$6.44	4	129	23	34.9%	\$8.13	-20.8%
ST/DQM	7	6	HIGH BLOOD PRESS/HEART DISEASE	103,977	6,667	\$1,458,151	98.0%	97.8%	\$5.57	7	103,916	6,637	94.9%	\$6.88	-19.0%
ST/PA/DQM	8	7	ASTHMA	13,350	2,607	\$1,307,228	37.9%	36.9%	\$5.00	9	13,128	2,593	37.4%	\$4.44	12.6%
ST/PA/DQM	9	10	MULTIPLE SCLEROSIS	195	23	\$1,213,311	1.5%	10.1%	\$4.64	10	187	20	0.0%	\$3.83	21.2%
ST/PA/DQM	10	9	HIGH BLOOD CHOLESTEROL	43,784	4,442	\$986,529	98.1%	97.2%	\$3.77	8	43,192	4,486	90.1%	\$6.80	-44.6%
			Total Top 10:	240,349		\$22,801,229	86.1%		\$87.15		240,243		83.7%	\$81.65	6.7%
			Differences Between Periods:	106		\$650,778	2.5%		\$5.50						

Peer = Express Scripts Peer 'Labor - United Food and Commercial Workers International' market segment



Top 10 Indications by Net Cost

- The largest financially impactful change was in Diabetes driving \$0.7M in Net Cost from a 19.5% increase in PMPM
- The highest trend is in Cancer at 32.9%, contributing an additional \$2.60 to Net Cost PMPM

REPRESENT
75.8%
OF YOUR TOTAL
NET COST

Top Indications by Net Cost															
2017										2016					% Change
AUM Strategy	Net Cost Rank	Peer Rank	Indication	Adjusted Rx	Patients	Net Cost	Generic Fill Rate	Generic Fill Rate	Net Cost PMPM	Net Cost Rank	Adjusted Rx	Patients	Generic Fill Rate	Net Cost PMPM	Net Cost PMPM
ST/PA/DQM	1	1	DIABETES	35,967	2,223	\$5,022,724	54.6%	55.8%	\$19.20	1	34,662	2,209	55.8%	\$16.06	19.5%
ST/PA/DQM	2	2	INFLAMMATORY CONDITIONS	2,384	270	\$3,708,079	55.3%	50.3%	\$14.17	2	2,309	274	52.1%	\$11.75	20.6%
ST/PA/DQM	3	3	CANCER	1,554	197	\$2,743,753	82.2%	82.2%	\$10.49	5	1,384	186	83.2%	\$7.89	32.9%
ST/PA/DQM	4	4	PAIN/INFLAMMATION	37,898	7,271	\$2,634,572	92.1%	93.9%	\$10.07	3	40,111	7,636	91.8%	\$8.66	16.3%
PA	5	5	HIV	1,174	97	\$2,042,979	3.6%	4.7%	\$7.81	6	1,225	96	2.9%	\$7.21	8.4%
ST/PA/DQM	6	8	HEPATITIS C	66	23	\$1,683,903	7.6%	4.4%	\$6.44	4	129	23	34.9%	\$8.13	-20.8%
ST/DQM	7	6	HIGH BLOOD PRESS/HEART DISEASE	103,977	6,667	\$1,458,151	98.0%	97.8%	\$5.57	7	103,916	6,637	94.9%	\$6.88	-19.0%
ST/PA/DQM	8	7	ASTHMA	13,350	2,607	\$1,307,228	37.9%	36.9%	\$5.00	9	13,128	2,593	37.4%	\$4.44	12.6%
ST/PA/DQM	9	10	MULTIPLE SCLEROSIS	195	23	\$1,213,311	1.5%	10.1%	\$4.64	10	187	20	0.0%	\$3.83	21.2%
ST/PA/DQM	10	9	HIGH BLOOD CHOLESTEROL	43,784	4,442	\$986,529	98.1%	97.2%	\$3.77	8	43,192	4,486	90.1%	\$6.80	-44.6%
			Total Top 10:	240,349		\$22,801,229	86.1%		\$87.15		240,243		83.7%	\$81.65	6.7%
			Differences Between Periods:	106		\$650,778	2.5%		\$5.50						

Peer = Express Scripts Peer 'Labor - United Food and Commercial Workers International' market segment. Peer is based on Plan Cost Rebates are estimated based on paid and expected to be paid amounts. Actual rebate payments may differ from estimates.



Top 25 Drugs

- Represent 30.5% of your total Plan Cost and comprise 12 indications
- 11 of your top 25 are specialty drugs, making up 52.8% of your Top 25 spend

Top Drugs by Plan Cost													
2017								2016				% Change	
AUM Strategy	Rank	Peer Rank	Brand Name	Indication	Adj. Rx	Pts.	Plan Cost	Plan Cost PMPM	Rank	Adj. Rx	Pts.	Plan Cost PMPM	Plan Cost PMPM
ST/PA/DQM	1	1	HUMIRA PEN*	INFLAMMATORY CONDITIONS	254	41	\$1,351,201	\$5.16	2	221	33	\$3.62	42.8%
ST/PA/DQM	2	2	HARVONI*	HEPATITIS C	41	15	\$1,241,704	\$4.75	50	5	2	\$0.57	729.1%
ST/DQM	3	3	JANUVIA	DIABETES	1,861	216	\$633,413	\$2.42	5	1,721	220	\$2.04	18.8%
ST/PA/DQM	4	4	ENBREL SURECLICK*	INFLAMMATORY CONDITIONS	139	15	\$569,429	\$2.18	3	149	20	\$2.11	3.2%
ST/PA/DQM	5	10	TRULICITY	DIABETES	804	120	\$475,086	\$1.82	39	365	66	\$0.69	162.1%
ST	6	15	LYRICA	PAIN/INFLAMMATION	1,230	236	\$467,599	\$1.79	8	1,327	244	\$1.62	10.2%
PA/DQM	7	8	IBRANCE*	CANCER	45	8	\$456,774	\$1.75	19	30	6	\$1.10	58.3%
PA	8	20	ELIQUIS	ANTICOAGULANT	1,376	185	\$455,152	\$1.74	17	1,024	152	\$1.12	56.0%
N/A	9	7	LANTUS SOLOSTAR	DIABETES	1,674	200	\$438,899	\$1.68	7	1,808	237	\$1.68	-0.2%
N/A	10	6	HUMALOG KWIKPEN U-100	DIABETES	1,134	189	\$392,845	\$1.50	10	1,200	202	\$1.45	3.7%
N/A	11		THIOLA*	URINARY DISORDERS	13	1	\$347,997	\$1.33	15	12	1	\$1.19	11.3%
N/A	12	52	STRIBILD	HIV	122	18	\$342,167	\$1.31	6	196	21	\$1.92	-31.9%
ST	13	13	TECFIDERA*	MULTIPLE SCLEROSIS	47	5	\$335,759	\$1.28	18	50	6	\$1.11	15.2%
PA/DQM	14	16	IMBRUVICA*	CANCER	34	4	\$320,787	\$1.23	36	24	2	\$0.75	63.8%
PA/DQM	15	9	SYMBICORT	ASTHMA	1,244	279	\$319,383	\$1.22	16	1,272	295	\$1.13	8.3%
PA	16	12	XARELTO	ANTICOAGULANT	920	145	\$305,239	\$1.17	26	769	130	\$0.87	33.4%
DQM	17	18	EPCLUSA*	HEPATITIS C	12	5	\$301,806	\$1.15	108	3	1	\$0.28	310.3%
ST	18	28	GILENYA*	MULTIPLE SCLEROSIS	44	4	\$293,814	\$1.12	21	41	5	\$0.94	19.5%
ST/DQM	19	83	PENNSAID	PAIN/INFLAMMATION	137	63	\$284,189	\$1.09	76	58	40	\$0.38	188.1%
PA	20	5	REVLIMID*	CANCER	23	3	\$279,283	\$1.07	14	28	4	\$1.21	-11.8%
ST/DQM	21	30	OXYCONTIN	PAIN/INFLAMMATION	558	80	\$268,459	\$1.03	9	756	112	\$1.48	-30.5%
ST/DQM	22	25	JANUMET	DIABETES	797	96	\$259,384	\$0.99	24	794	100	\$0.89	11.0%
PA/DQM	23	22	VIAGRA	ERECTILE DYSFUNCTION	691	173	\$249,620	\$0.95	28	834	193	\$0.85	12.6%
DQM	24	11	ROSUVASTATIN CALCIUM	HIGH BLOOD CHOLESTEROL	5,710	674	\$246,689	\$0.94	13	3,345	584	\$1.25	-24.6%
PA	25	55	COSENTYX PEN (2 PENS)*	INFLAMMATORY CONDITIONS	49	6	\$243,220	\$0.93	42	29	5	\$0.66	41.8%
			Total Top 25:		18,959		\$10,879,896	\$41.58		16,061		\$30.91	34.6%
			Differences Between Periods:		2,898		\$2,495,225	\$10.68					

*Specialty Drugs

Peer = Express Scripts Peer 'Labor - United Food and Commercial Workers International' market segment



Top 10 Specialty Indications

- The largest financially impactful change in Specialty was in Cancer driving \$0.6M in cost from a 35.6% increase in PMPM
- The highest trend is in Iron Toxicity at 240.1%, contributing an additional \$0.62 to PMPM
- Iron Toxicity has a larger impact on your spend than it does on the peer, ranked 29 vs 73

Top Specialty Indications by Plan Cost													
2017								2016					% Change
AUM Strategy	Overall Rank	Overall Peer Rank	Indication	Adjusted Rxs	Adjusted Patients	Plan Cost	Plan Cost PMPM	Overall Rank	Adjusted Rxs	Adjusted Patients	Plan Cost	Plan Cost PMPM	Plan Cost PMPM
ST/PA/DQM	2	2	INFLAMMATORY CONDITIONS	741	97	\$3,347,998	\$12.80	2	688	90	\$2,829,997	\$10.43	22.7%
ST/PA/DQM	3	3	CANCER	312	51	\$2,705,878	\$10.34	5	254	43	\$2,069,379	\$7.63	35.6%
ST/PA/DQM	6	8	HEPATITIS C	66	23	\$1,683,903	\$6.44	4	129	23	\$2,205,870	\$8.13	-20.8%
ST/PA/DQM	9	10	MULTIPLE SCLEROSIS	195	23	\$1,213,311	\$4.64	10	187	20	\$1,038,216	\$3.83	21.2%
ST/DQM	12	22	URINARY DISORDERS	13	1	\$347,997	\$1.33	11	12	1	\$324,194	\$1.19	11.3%
N/A	29	73	IRON TOXICITY	17	2	\$231,216	\$0.88	55	6	1	\$70,501	\$0.26	240.1%
N/A	40	71	HEMOPHILIA	6	1	\$128,075	\$0.49	40	6	1	\$127,189	\$0.47	4.4%
PA	44		HEREDITARY ANGIOEDEMA	6	1	\$113,812	\$0.44						
DQM	18	14	GI DISORDERS	2	1	\$109,022	\$0.42	26					
ST/PA/DQM	46	26	PULMONARY HYPERTENSION	80	43	\$102,423	\$0.39	49	90	31	\$79,190	\$0.29	34.1%
			Total Top 10:	1,438		\$9,983,635	\$38.16		1,372		\$8,744,535	\$32.23	18.4%
			Differences Between Periods:	66		\$1,239,100	\$5.93						

Peer = Express Scripts Peer 'Labor - United Food and Commercial Workers International' market segment



Top 25 Specialty Drugs

- Represent 22.4% of your total Plan Cost and comprise 7 indications

Top Specialty Drugs by Plan Cost															
2017									2016					% Change	
AUM Strategy	Overall Rank	Overall Peer Rank	Brand Name	Indication	Adj. Rx	Pts.	Plan Cost	Plan Cost / Adj. Rx	Plan Cost PMPM	Overall Rank	Adj. Rx	Pts.	Plan Cost / Adj. Rx	Plan Cost PMPM	Plan Cost PMPM
ST/PA/DQM	1	1	HUMIRA PEN	INFLAMMATORY CONDITIONS	254	41	\$1,351,201	\$5,320	\$5.16	2	221	33	\$4,439	\$3.62	42.8%
ST/PA/DQM	2	2	HARVONI	HEPATITIS C	41	15	\$1,241,704	\$30,285	\$4.75	50	5	2	\$31,060	\$0.57	729.1%
ST/PA/DQM	4	4	ENBREL SURECLICK	INFLAMMATORY CONDITIONS	139	15	\$569,429	\$4,097	\$2.18	3	149	20	\$3,839	\$2.11	3.2%
PA/DQM	7	8	IBRANCE	CANCER	45	8	\$456,774	\$10,151	\$1.75	19	30	6	\$9,974	\$1.10	58.3%
N/A	11		THIOLA	URINARY DISORDERS	13	1	\$347,997	\$26,769	\$1.33	15	12	1	\$27,016	\$1.19	11.3%
ST	13	13	TECFIDERA	MULTIPLE SCLEROSIS	47	5	\$335,759	\$7,144	\$1.28	18	50	6	\$6,042	\$1.11	15.2%
PA/DQM	14	16	IMBRUVICA	CANCER	34	4	\$320,787	\$9,435	\$1.23	36	24	2	\$8,461	\$0.75	63.8%
DQM	17	18	EPCLUSA	HEPATITIS C	12	5	\$301,806	\$25,151	\$1.15	108	3	1	\$25,426	\$0.28	310.3%
ST	18	28	GILENYA	MULTIPLE SCLEROSIS	44	4	\$293,814	\$6,678	\$1.12	21	41	5	\$6,219	\$0.94	19.5%
PA	20	5	REVLIMID	CANCER	23	3	\$279,283	\$12,143	\$1.07	14	28	4	\$11,724	\$1.21	-11.8%
PA	25	55	COSENTYX PEN (2 PENS)	INFLAMMATORY CONDITIONS	49	6	\$243,220	\$4,964	\$0.93	42	29	5	\$6,134	\$0.66	41.8%
ST/PA	36	31	OTEZLA	INFLAMMATORY CONDITIONS	68	11	\$191,022	\$2,809	\$0.73	77	42	11	\$2,428	\$0.38	94.2%
N/A	37	108	POMALYST	CANCER	13	1	\$189,627	\$14,587	\$0.72	387	1	1	\$13,719	\$0.05	1333.3%
ST/PA	38	14	STELARA	INFLAMMATORY CONDITIONS	37	6	\$186,078	\$5,029	\$0.71	25	50	6	\$4,809	\$0.89	-19.8%
ST/PA/DQM	40	89	ENBREL	INFLAMMATORY CONDITIONS	46	5	\$182,637	\$3,970	\$0.70	59	37	5	\$3,654	\$0.50	40.1%
PA/DQM	47		XALKORI	CANCER	11	1	\$166,697	\$15,154	\$0.64	99	6	1	\$13,993	\$0.31	105.9%
ST/PA/DQM	52	35	HUMIRA	INFLAMMATORY CONDITIONS	37	6	\$157,503	\$4,257	\$0.60	46	40	5	\$4,006	\$0.59	1.9%
ST/PA/DQM	54	24	COPAXONE	MULTIPLE SCLEROSIS	32	6	\$156,336	\$4,886	\$0.60	56	30	4	\$4,773	\$0.53	13.2%
ST/PA/DQM	55	40	XTANDI	CANCER	17	4	\$156,325	\$9,196	\$0.60	62	15	2	\$8,582	\$0.47	25.9%
ST/PA/DQM	56	245	REBIF REBIDOSE	MULTIPLE SCLEROSIS	24	3	\$156,286	\$6,512	\$0.60	107	13	1	\$5,894	\$0.28	111.5%
N/A	58	416	JADENU	IRON TOXICITY	9	1	\$154,940	\$17,216	\$0.59						
PA/DQM	63	93	IMATINIB MESYLATE	CANCER	21	3	\$144,941	\$6,902	\$0.55	30	31	3	\$7,311	\$0.84	-33.7%
ST/PA/DQM	64	102	REBIF	MULTIPLE SCLEROSIS	22	2	\$142,157	\$6,462	\$0.54	68	20	2	\$5,849	\$0.43	26.0%
N/A	69		HEMOFIL M	HEMOPHILIA	6	1	\$128,075	\$21,346	\$0.49	63	6	1	\$21,198	\$0.47	4.4%
PA/DQM	70	26	TASIGNA	CANCER	12	1	\$125,974	\$10,498	\$0.48	64	13	1	\$9,612	\$0.46	4.5%
			Total Top 25:		1,056		\$7,980,373	\$7,557	\$30.50		896		\$5,976	\$19.74	54.6%
			Differences Between Periods:		160		\$2,626,146	\$1,581	\$10.77						

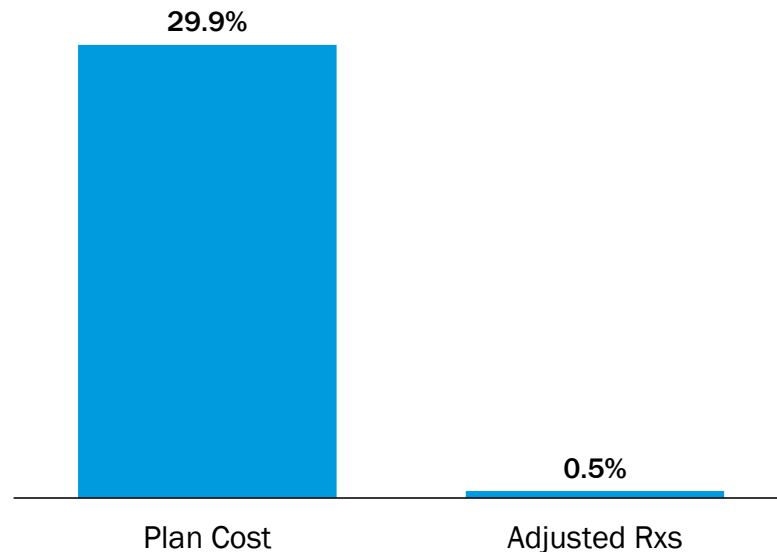
Peer = Express Scripts Peer 'Labor - United Food and Commercial Workers International' market segment



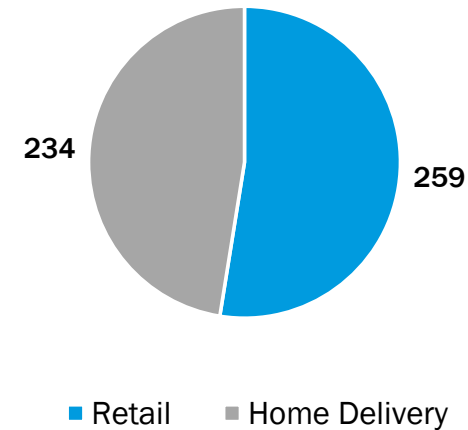
Channel Management: Specialty

- Less than 1% of your claims account for 29.9% of your Plan Cost

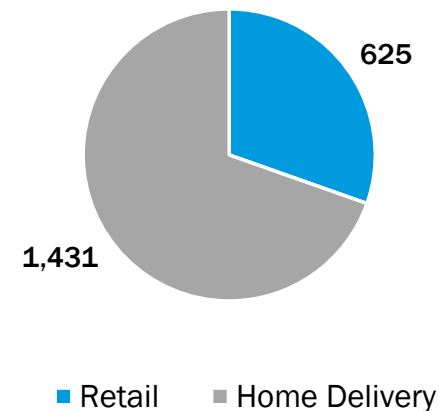
Specialty



Specialty Patients - Retail vs. Home Delivery



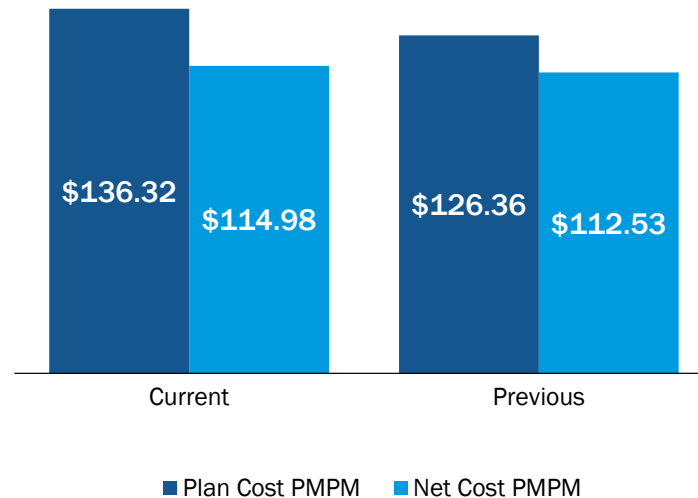
Specialty Adjusted Rx - Retail vs. Home Delivery



Value of Rebates

- FELRA 4369 earned \$5.6M in manufacturer rebates in 2017
- Rebates reduced Plan Cost PMPM from \$136.32 to \$114.98 (-15.7%)
- Drug trend after rebates was 2.2%

Rebates*			
Program	Current 2017	Previous 2016	Change
Retail	\$4,683,548	\$3,613,048	29.6%
Home Delivery	\$899,995	\$139,793	543.8%
Total	\$5,583,543	\$3,752,840	48.8%



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



