

To The Point

Protecting Your People & Dollars

National Cooperative 

Pharmacies, drug companies, and pharmacy benefit managers have all been exposed in the media for unethical practices. With so much money at play, some entities are doing all they can to maximize their revenue. It is crucial National CooperativeRx works to identify products and service providers that may result in low value and higher costs to our members.

This means using our clinical experts and our high-dollar claim review programs to manage high-cost medications and save millions of dollars from going into the wrong hands.

Pharmacies

Beginning in October of 2017, our in-house pharmacists noticed some disturbing trends as part of our high-dollar claim review process for non-specialty drugs. Unusual dispensing patterns were identified for some pharmacies. Investigation found that in some cases participants were receiving product(s) that were not requested.

In other cases, claims were being billed to the pharmacy benefit of participants without their knowledge and no product was received. We worked closely with CVS Caremark's pharmacy network and audit departments to address fraudulent activities like these, mitigate such actions in the future and help ensure plan sponsors avoid unnecessary expenses from these outlier pharmacies.

Drug Companies

Did you know some drug companies will take two generic drugs and combine them into one pill, then charge brand drug pricing? For example, a person could take ibuprofen and an acid controller for \$25 per month. Or that person could take Duexis. It has the same ingredients, but for the

US health care spending increased 4.6 percent to reach \$3.6 trillion, or \$11,172 per person in 2018.¹

convenience of taking one pill instead of two, Duexis costs \$2,600 per month.

Staying on top of pricing schemes like these is a full-time job. The development of National CooperativeRx fraud, waste and abuse programs and services helps keep drugs like Duexis off our members' formularies.

Pharmacy Benefit Managers

National CooperativeRx partners with CVS Health because they do many things well. However, with 94M² covered lives, CVS Health simply cannot provide the personal level of service that our members deserve. This is where National CooperativeRx steps in to provide additional service and support. While employers in the 2019 CVS Health Employer Book of Business paid \$1,456 per participant per year (PPPY), members of National CooperativeRx only paid \$1,158 PPPY. And this is before our 100% rebate pass-through is factored in.

Plan sponsors with National CooperativeRx saved a collective \$97M over their peers who were with CVS Health directly. This is due to the added oversight and value National CooperativeRx provides.

New Specialty Program: 10/1/20

Culminating out of the success of our high-dollar claim review program for non-specialty drugs, beginning October 1, 2020, we will offer a high-dollar claim review program for specialty drugs with claims in excess of \$10,000.

Similar to our non-specialty high dollar claim review process, the initial intent of this offering is to focus on ensuring appropriate dose and billing relative to approved indication(s).

1. <https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/NationalHealthAccountsHistorical>

2. <https://payorsolutions.cvshealth.com/about/our-story>