

HEALTHCARE CASE STUDY

Rx Carve-Out



CLIENT SITUATION:

Administration/Funding: Self-Funded
Incumbent: BCBS of Connecticut
Employees: 3155
Members: 5873
Region: Northeast
Generic Fill Rate: 85.3%
MFG Rebates: \$0

STRATEGIC COST CONTAINMENT CONCEPTS (SCCC) SOLUTION:

A detailed claims analysis identified cost-savings opportunities through implementation of the following SCCC offerings:

- ✓ New PBM Contract
- ✓ Robust Rebate Schedule
- ✓ Rx Interceptor Program

THE RESULTS:

The employer realized cost savings during the
PHARMACY BENEFIT MANAGEMENT CONTRACT (PBM)

PHARMACY BENEFIT MANAGEMENT

PRIOR CARRIER PLAN COST	\$6,937,769.50
SCCC MANAGED PLAN COST	\$6,926,401.30
FIRST-YEAR PBM SAVINGS (2018):	\$11,368.20
PERCENTAGE SAVINGS	0.16%
GENERIC FILL RATE	88.10%
<i>NO EMPLOYEE CO-PAYMENT PLAN CHANGES</i>	
<i>SIGNIFICANT DRUG MIX CHANGE</i>	

MANUFACTURER REBATES

SCCC MANAGED PLAN COST	\$6,926,401.30
CURRENT REBATE DISTRIBUTION	\$1,883,925.00
NET PLAN COST	\$5,042,476.30
FIRST-YEAR REBATE SAVINGS (2018):	\$1,883,925.20
PERCENTAGE SAVINGS	27.3%

RX INTERCEPTOR PLAN

SCCC MANAGED PLAN COST - INTERCEPTED DRUGS	\$2,119,224.00
FIRST-YEAR INTERCEPTOR SAVINGS (2018):	\$1,059,612.00
NET PLAN COST	\$1,059,612.00
PERCENTAGE SAVINGS	50%

2018 TOTAL FIRST YEAR SAVINGS

FIRST-YEAR PBM SAVINGS:	\$11,368.20
FIRST-YEAR REBATE SAVINGS:	\$1,883,925.20
FIRST-YEAR INTERCEPTOR SAVINGS:	\$1,059,612.00
FIRST-YEAR PBM, REBATE AND RX INTERCEPTOR SAVINGS:	\$2,954,905.40
PERCENTAGE SAVINGS:	43%