



North Carolina
State Health Plan
FOR TEACHERS AND STATE EMPLOYEES



Transition Specialty Medications from Medical to Pharmacy Benefit

Board of Trustees Meeting

November 20, 2015

A Division of the Department of State Treasurer

Specialty Medications: Self-Injectables

- Review Current Plan Specialty Medication Administration
- Potential Savings from moving Self-Injectable to pharmacy benefits
- Next Steps

Specialty Medications: Medical Benefit

- Currently, most specialty medications under the CDHP, Enhanced 80/20, and Traditional 70/30 are administered under the medical benefit, not through the pharmacy benefit.
- The HDHP plan, which began in 2015, and is administered by MedCost, follows a slightly different approach and all non-cancer specialty medications are administered through the pharmacy benefit.
- Blue Cross Blue Shield of NC has recently proposed moving self-administered and IV hemophilia drugs to the pharmacy benefit. Plan staff is reviewing options to move **all** specialty medications, other than cancer drugs, to the pharmacy benefit.

Potential Savings: Self-Administered and Infusion Transition to Rx Benefit

Management Strategy		Therapy	Patients	Paid	Therapy Management Savings	Utilization Management Savings	Total Savings
Self-administered		BLOOD CELL DEFICIENCY	404	\$5,027,73	\$471,601	\$422,832	\$894,434
		INFERTILITY	16	\$3,18	\$258	\$276	\$534
		Total	420	\$5,030,92	\$471,860	\$423,108	\$894,968
INFUSION	Rare disease	ALPHA-1 DEFICIENCY	4	\$435,62	\$0	\$10,847	\$10,847
		ENZYME DEFICIENCY	10	\$2,507,32	\$18,805	\$35,102	\$53,907
		HEMOPHILIA	7	\$963,35	\$24,084	\$0	\$24,084
		IMMUNE DEFICIENCY	94	\$4,432,28	\$121,001	\$173,746	\$294,747
		PULMONARY HYPERTENSION	10	\$316,66	\$6,523	\$15,580	\$22,103
		Total	125	\$8,655,24	\$170,413	\$235,275	\$405,688
	Clinician-administered	ASTHMA	69	\$1,152,77	\$50,261	\$115,393	\$165,654
		BLOOD CELL DEFICIENCY	4	\$50,12	\$4,702	\$4,215	\$8,917
		INFLAMMATORY CONDITIONS	853	\$22,830,27	\$1,054,759	\$1,310,458	\$2,365,217
		MISCELLANEOUS SPECIALTY CONDITIONS	79	\$313,75	\$13,178	\$4,393	\$17,570
		OPHTHALMIC CONDITIONS	324	\$2,624,70	\$299,742	\$194,228	\$493,970
		OSTEO-ARTHRITIS	1,811	\$1,827,69	\$340,134	\$227,548	\$567,681
		RESPIRATORY SYNCYTIAL VIRUS	56	\$671,99	\$17,136	\$89,106	\$106,242
		Total	3,196	\$29,471,32	\$1,779,910	\$1,945,341	\$3,725,251
		Incremental Pharmacy Rebates	n/a				\$3,761,467
		Grand Total	3,741	\$43,157,49	\$2,422,183	\$2,603,724	\$8,787,374

(Based on medical claims paid between 8/2014 and 7/2015)

Specialty Medications: Next Steps

- Review member impacts
 - Cost-share
 - Disruption and service delivery
- Review provider impacts
- Complete financial analysis
- Work with Plan Vendors on possible implementation plan
- Develop member and provider communication plan
- Develop recommendation for the Board of Trustees