



North Carolina
State Health Plan
FOR TEACHERS AND STATE EMPLOYEES



Pharmacy Home Delivery Pilot

Board of Trustees Meeting

July 8, 2015

A Division of the Department of State Treasurer

Presentation Overview

- Overview of Program
- Description of How It Works
- Potential Insights
- Next Steps
- Appendix – ESI Presentation on Pilot

Pharmacy (Rx) Home Delivery Pilot – Overview

Rx Home Delivery Pilot: Express Scripts (ESI) has developed an Rx Home Delivery (Mail Order) pilot for its entire book of business. The program begins in August 2015 and will run for one year.

Who Qualifies: Members with established long-term medications.

Goal: Increase Rx home delivery by removing some of the standard, initial home delivery set-up requirements that may discourage a member from utilizing the service.

Benefits: If successful, the initiative should provide a convenient way for members to receive their prescription drugs and reduce overall costs for the Plan as the fees associated with Rx home delivery are lower than at retail.

Rx Home Delivery Pilot – How it Works

- **Member identified** – In August, ESI will identify qualifying members and mail them a letter announcing the program.
- **Member enrolls** – Members will have 30 days to enroll in the program which they can do by calling ESI or via ESI's secure member web portal.
- **ESI transfers existing long-term prescription(s)** – ESI will handle the transfer of the Rx from the retail pharmacy to the Home Delivery program.
- **New long-term prescriptions** – ESI will monitor enrolled members' ongoing Rx claims and transfer any new long-term medications to Home Delivery after two retail fills (ESI will remind members of upcoming transfer after first fill).
- **Automatic refill reminders** – Members will receive reminders about refills and automatic refills will continue to be an option as they are today.
- **Opt out** – If a member determines they no longer want to participate in the program, they may opt out at any time.

Rx Home Delivery Pilot – Potential Insights

- **Marketing impacts** – The Plan has never marketed Rx Home Delivery and does not currently offer copay incentives for Rx Home Delivery, but the service has the potential of offering an improved member experience for members on long-term maintenance medications. It will be interesting to see if a small marketing campaign results in increased utilization of the program.
 - 2015 participation in Home Delivery is 5.1%
- **Member feedback** – We can survey participating members to gauge their satisfaction with the program and address any operational issues should we determine that expanding Rx Home Delivery is in the best interest of the Plan and its members.

Rx Home Delivery Pilot – Next Steps

- Notify ESI of the Plan's desire to participate.
- Monitor the program:
 - Number of members enrolled in the pilot.
 - Number of prescriptions transferred to Home Delivery.

Appendix

ESI Presentation: Plan Ahead Phase II Pilot



Plan Ahead Phase II Pilot



July 2015

Plan Ahead Home Delivery Program

PAIN POINT: Members want to use the safest, most convenient, and lowest-cost pharmacy, although human behavior often gets in the way.

SOLUTION: Through online enrollment, allow individuals to voluntarily lock in good intentions to always use the Express Scripts Pharmacy.

KEY MEASURES: Member enrollment and Home Delivery conversions.



**Members Lock in
Good Intentions to
Always Use The
Express Scripts
Pharmacy**

Design: Matched Case Control

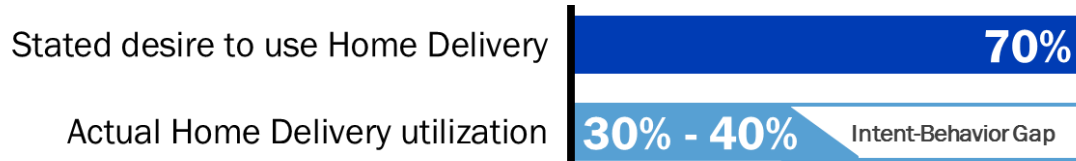
Status: Design

Launch: Q3 2015

Plan Ahead Delivery Program: Harnessing Consumer Behavior

PROBLEM:

Those filling long-term medications at a retail pharmacy *intend* to save time and money through home delivery, but member *behavior* tells a different story.



Source: Harris Interactive and Express Scripts, 2011. N = 2,099

REASON:

Many good behaviors require you deal with an *up front cost* – time, energy or money – *for a downstream gain*, which for many *results in not taking action* and suffering the consequences.

Example from everyday life:

Of those who make New Year's Resolutions, 50 percent have given up after three months.

Source: Washington Post; January 7, 2015

Plan Ahead Delivery Program: Harnessing Consumer Behavior

SOLUTION:

Make follow through easy by removing perceived barriers and enabling members to *lock in their preference* for home delivery one time.



BENEFIT:

This pilot invites members to *sign up one time*, allowing Express Scripts to *automatically transfer* any eligible long-term medications to the Express Scripts Pharmacy after two retail fills.

Example from everyday life:

Often people procrastinate and forget about preventative care check ups, so many dental offices set up a patient's next checkup at their current checkup.

Plan Ahead Pilot Process

1 Enroll

2 Monitor

3 Convert

CLIENT ENROLLMENT

Client enrollment form due by :

Wednesday, July 15

PATIENT ENROLLMENT

Patient enrollment window:

30 days (est. Aug. – Sept. 2015)



HOW MEMBERS ENROLL

- 1) Members are invited to enroll by both client and Express Scripts
email ♦ intranet ♦ letter
- 2) Members can enroll online or by calling a toll-free number
online ♦ phone

Plan Ahead Pilot Process

1 Enroll

2 Monitor

3 Convert



Members **enrolling via phone** will immediately convert their long-term medications to home delivery



Members **enrolling via website** will have two retail fills, then Express Scripts will convert to home delivery

Plan Ahead Pilot Process

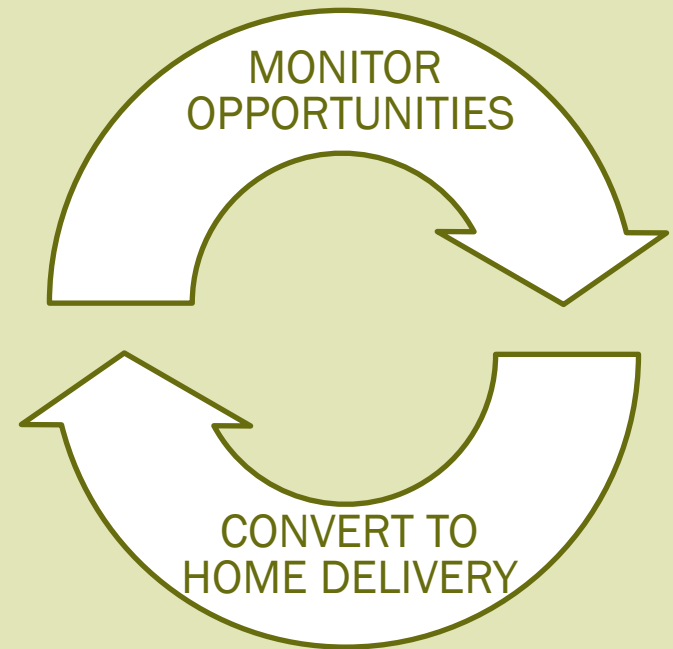
1 Enroll

2 Monitor

3 Convert

Express Scripts will continuously:

- ✓ **Monitor** patients' claims data for new long-term medications
- ✓ **Remind** patients of automatic transfer to home delivery after first retail fill
- ✓ **Convert** to home delivery after second fill and remind patient



Plan Ahead: Key Dates and Details

TIMELINE:

- Launch: Q3 2015
- In-flight: 12 months
- Pilot close: Q3 2016

KEY METRICS:

- Enrollment in the pilot
- Number of scripts transferred to home delivery

CLIENT CRITERIA:

- No charge for participating
- Willing to send the provided email to members and post intranet communication regarding service offering

NEXT STEPS:

- Client confirmation of enrollment by July 15, 2015
- Estimated pilot launch mid-August 2015



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