

**PROCEEDINGS OF THE BROWN COUNTY**  
**BENEFITS ADVISORY COMMITTEE**

Pursuant to Section 19.84, Wis. Stats., a regular meeting of the Brown County Benefits Advisory Committee was held on Wednesday July 22, 2020 at 1:00pm via a Webex Virtual Meeting.

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**PRESENT:** Erik Pritzl, Jill Bomkamp, Jeff Flynt, Mandy Leonard, Jason Petrella, Jan Stage, Samantha Nikodem, Matt Heyroth

**EXCUSED:** Janelle Walton, John Vanderleest and Megan Borchardt

**Others Present:** Chad Weinger, Director of Administration, Lana Hitner, Project Management Support for Jan Stage, Kyle Kapusta, National Coop RX and Meghan Dulzo, National Coop RX

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**1. Call meeting to order.**

The meeting was called to order by Erik Pritzl at 1:01pm

**2. Roll Call.**

Roll call was taken.

**3. Presentation by National Cooperative (Pharmacy Benefits Manager)**

Presentation Presented by Kyle Kapusta – see attached for presentation reviewed

Motion made by Samantha Nikodem and Seconded by Jeff Flynt to place presentation on file. All approved.

Motion Carried Unanimously

**4. Question/Discussions**

Brown County Benefit Committee Members addressed questions and concerns with Kyle Kapusta and Jan Stage after the presentation was completed.

**5. Schedule Next Meeting**

Meeting scheduled for Thursday August 27<sup>th</sup> at 1pm via virtual webex meeting.

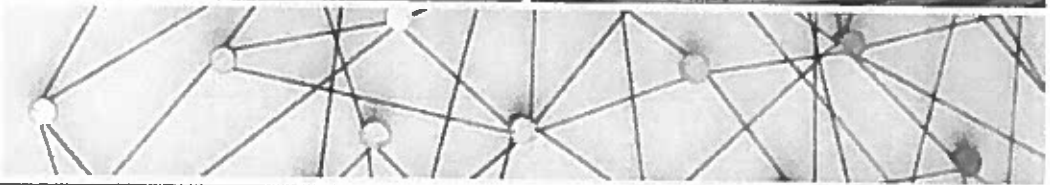
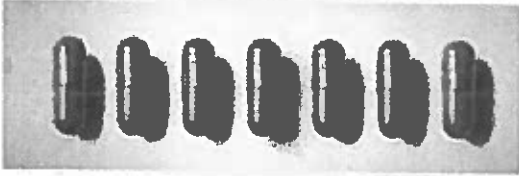
**6. Adjourn.**

Motion made to adjourn meeting by Erik Pritzl at 2:04pm, Seconded by Samantha Nikodem. All approved,

Motion carried unanimously.

Respectfully submitted,

Samantha Nikodem  
Secretary



**National Cooperative** 

July 22, 2020



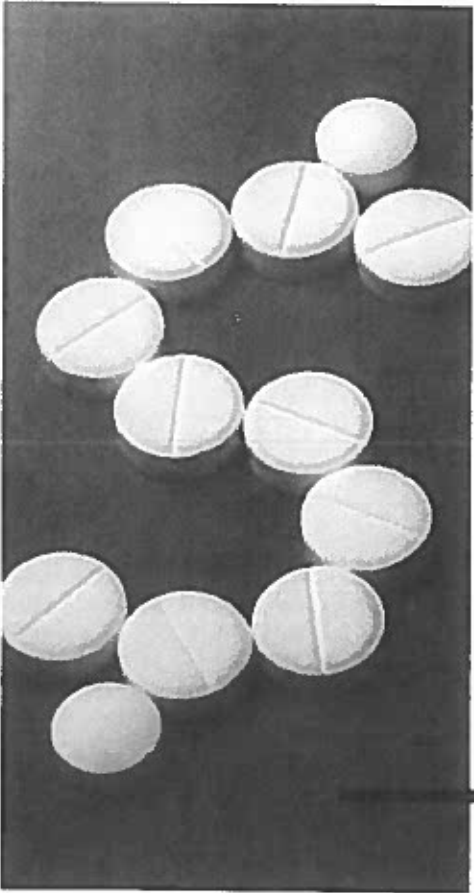
# INTRO



Kyle Kapusta,  
*Director of Sales and Marketing*

# AGENDA

- About Us
- Providing Solutions
- Financial Transparency
- More Than a Contract
- Becoming a Member
- Closing



Employers have a fundamental problem.

They spend more than they need to on  
pharmacy benefits for their employees.

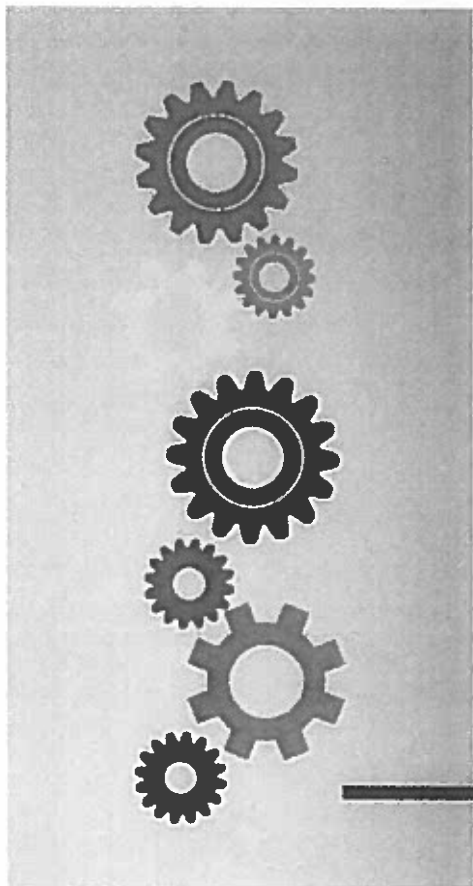
**WE PROVIDE THAT SOLUTION**



National CooperativeRx provides pharmacy benefits for self-funded member organizations.

We are a not-for-profit cooperative, organized, owned and governed by our members.

**PHARMACY IS OUR SOLE FOCUS**



260 Member Groups

With 375,000 Participant Lives

Purchasing Together

One Pharmacy Benefits Contract

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## HOW WE WORK



We lower prescription drug spend through:

- Group Purchasing Power
- Customizable Plans
- Comprehensive Clinical Management
- Empowerment of Our Members

**TRUSTED PARTNERS IN SAVINGS**

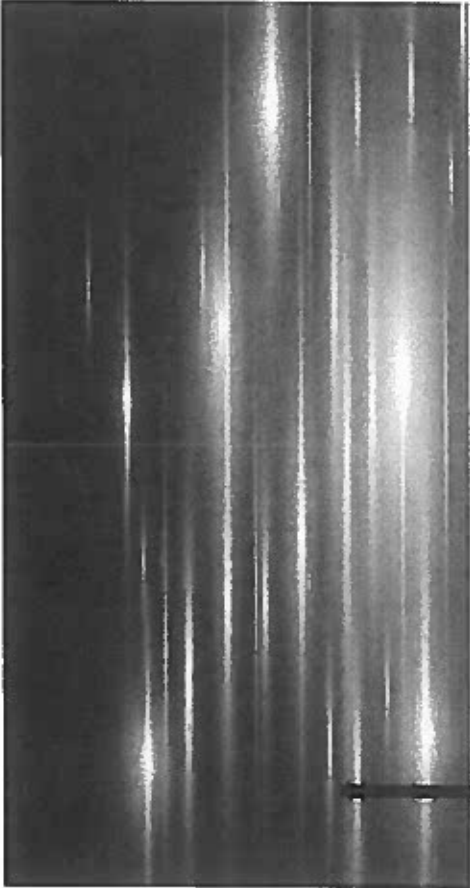


## One Pharmacy Benefits Contract

- CVS Caremark
- Largest PBM resulting in unmatched purchasing power
- Current contract runs through 12/31/21

# HOW WE WORK





- Pricing
- Annual PBM Market Check
- Rebate Distributions
- Independent Claims Audits
- Dividends

# FINANCIAL TRANSPARENCY



Average estimated savings of **28%** for 2020 quoted groups.

The 2020 market check yields an additional **3.3%** savings for a total savings of **6.2%** compared to 2019.

Our 100% rebate pass through yielded **25%** of gross costs returned to members in 2019.

Net income of approximately **\$850K** will be distributed to members for 2019.

## BY THE NUMBERS

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## **MORE THAN A CONTRACT**

**ACCOUNT  
SERVICES**

**CLINICAL  
EXPERTISE**

**OUR PBM  
PARTNER**

# ACCOUNT SERVICES

An Experienced Team Making a Direct Impact on Your Bottom Line



Left to Right  
Deb Thomsen  
Wayne Salverda, R.Ph.  
Jocelyn Kerf, PharmD  
Erica Guetzlaff, PharmD  
Jesse Dudley



Left to Right  
Luke Bowman  
Matt Dengel  
Doug Finney  
Ashley Foate  
Chris Schanz  
Adam Terrell

# ACCOUNT SERVICES

Our Account Services Team helps members lower their drug spend through:



Customizable  
Plan Design



Strategic  
Planning



Data Analysis &  
Reporting



Member  
Education



Member Resources and  
Communication Materials



Specialty Drug  
Management

# **CLINICAL EXPERTISE**

**We Watch, You Gain**

**HIGH COST/  
LOW VALUE  
& GENERICS**

**HIGH-COST  
CLAIMS  
REVIEW**

**PHARMACY  
NETWORK  
MANAGEMENT**

**FRAUD, WASTE & ABUSE**


# CLINICAL EXPERTISE

## HIGH COST/LOW VALUE MEDICATIONS



**Treximet**  
Combination of two ingredients  
Sumatriptan 85mg &  
Naproxen 500mg  
**Cost: \$1,000 (9 doses)**



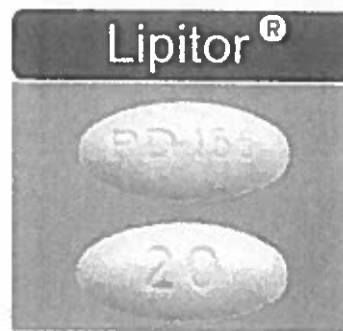
**National Cooperative  Recommends**  
Using the ingredients separately;  
A generic triptan + a generic NSAID  
**Cost: ~\$7 (9 doses)**

 **Result** Savings to the plan participant & plan

# CLINICAL EXPERTISE

## Authorized Generics

- Same shape, color and imprint
- Brand name medications that are marketed as a generic without the brand listing
- Sold at a lower price



NDC	00071015640
Generic Name	AtorvaSTATin
Labeler	PFIZER U S
Brand Name	Lipitor

AWP \$14.39



NDC	59762015601
Generic Name	AtorvaSTATin
Labeler	GREENSTONE

AWP \$5.50



# — CLINICAL EXPERTISE

## High-cost Claims Review

- Non-specialty drugs with a \$1,500 net cost
- Review dosing and optimization
- Safety, efficacy and therapeutic interchanges
- Rejected claims and profiles



**We go above and beyond with a systematic process to monitor fraud, waste and abuse.**

# CLINICAL EXPERTISE

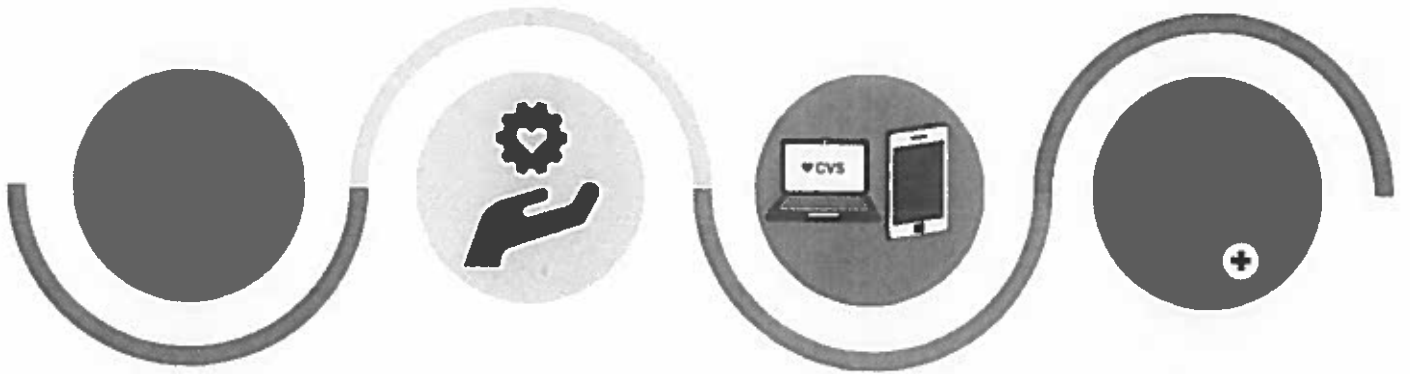
## Pharmacy Network Management



 We have the staff and contract flexibility to respond quickly

**2019** • Savings or cost avoidance ~\$10 PMPY

— **OUR PBM PARTNER** 



**LARGEST  
PBM**

**CUSTOMER  
CARE**

**DIGITAL  
RESOURCES**

**CLIENT  
SUPPORT  
TEAM**

# — OUR PBM PARTNER

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## LARGEST PBM

- National Network of 68,000 Pharmacies
- Specialty at Retail
- Maintenance Choice



## CUSTOMER CARE

- 24/7 Participant Support & 800 Number
- Questions on plan design, order status, health and savings improvement opportunities, and more
- Support for enrolling in digital tools
- Responsive and courteous staff

# — OUR PBM PARTNER **CVS**Health

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## DIGITAL RESOURCES

### Convenient

- Mobile prescription pickup & pay
- Two-way texting
- Digital start mail & scan to refill

### Connected

- Secure messaging for specialty pharmacy patients
- Refill text reminders

### Consumer Focused

- Real-time benefits
- Caremark.com
- Check drug costs & coverage

# — OUR PBM PARTNER

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## DEDICATED CVS CLIENT SUPPORT TEAM WORKING FOR MEMBERS

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Retail Pharmacy Claim  
Inquiries

Drug Coverage Inquires

Plan Design Education

Coinsurance Questions

Mail Service Order Status

Plan Benefit Overrides

Escalated Member

Requests

Eligibility Inquiries/Updates

Billing/Payment Inquiries

Order ID Cards

Research Deductible/OOP

Specialty Pharmacy Inquires

## — WHAT OUR MEMBERS SAY

**95%**

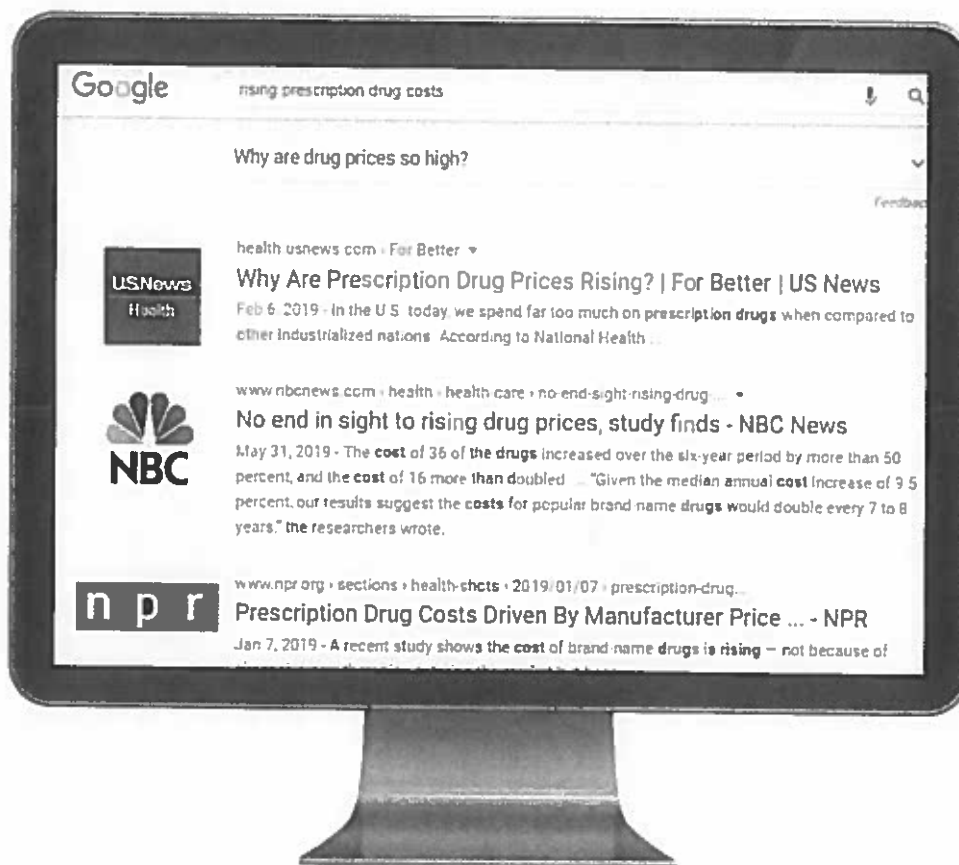
Would recommend  
National  
CooperativeRx

**100%**

Members are satisfied  
or highly satisfied with  
the Cooperative overall

**98%**

Membership retention  
over 16 year history of  
the Cooperative



Google

rising prescription drug costs



Why are drug prices so high?

Feedback



health.usnews.com • For Better ▾

### Why Are Prescription Drug Prices Rising? | For Better | US News

Feb 6, 2019 - In the U.S. today, we spend far too much on **prescription drugs** when compared to other industrialized nations. According to National Health ...



www.nbcnews.com • health • health care • no-end-sight-rising-drug... ▾

### No end in sight to rising drug prices, study finds - NBC News

May 31, 2019 - The **cost** of 36 of the **drugs** increased over the six-year period by more than 50 percent, and the **cost** of 16 more **than doubled** ... "Given the median annual **cost** increase of 9.5 percent, our results suggest the **costs** for popular brand name **drugs** would double every 7 to 8 years," the researchers wrote.



www.npr.org • sections • health-shots • 2019/01/07 • prescription-drug...

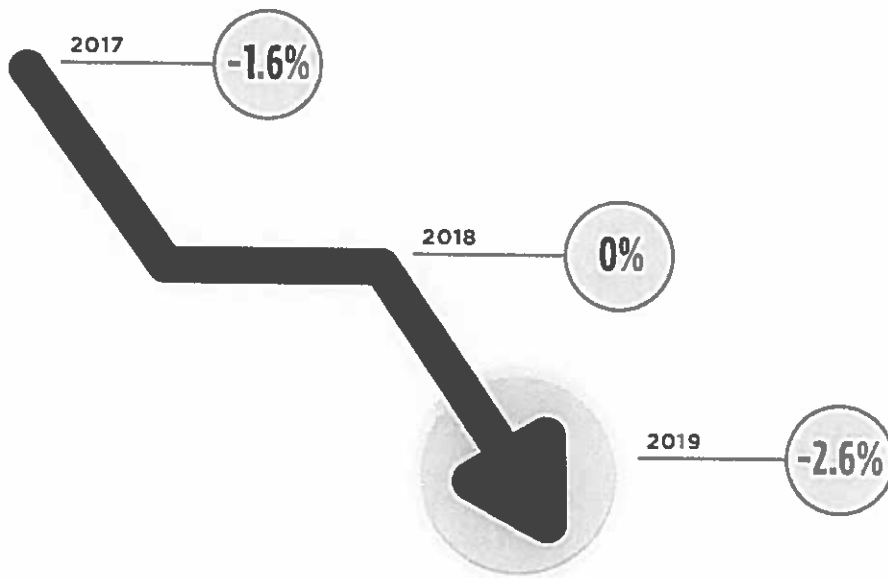
### Prescription Drug Costs Driven By Manufacturer Price ... - NPR

Jan 7, 2019 - A recent study shows the **cost** of brand name **drugs** is **rising** — not because of



# TREND

## GROSS COST PER MEMBER NET OF REBATES





# **IMPLEMENTATIONS**

## **A COMPREHENSIVE & COORDINATED EFFORT**

### **COSTS**

- \$2 one-time enrollment fee per participant
- \$0.20 per participant per month
- \$7 participant enrollment credit provided



# IMPLEMENTATIONS

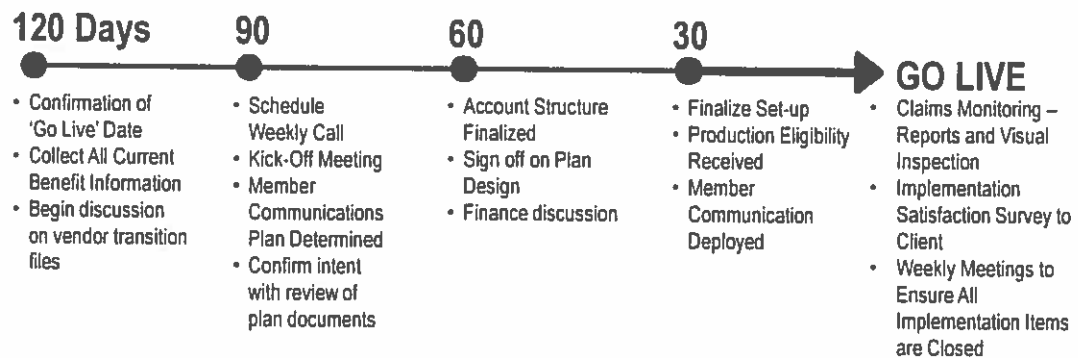
## A COMPREHENSIVE & COORDINATED EFFORT

### OPERATIONS

- 90-120 Day Implementation
- Operational Excellence & Execution
- Backed by Guarantee

# IMPLEMENTATION TIMELINE

## Countdown & Requirements to Go Live Date



# THANK YOU & QUESTIONS



**Kyle Kapusta**

Director of Sales and Marketing

p: 608.204.7728 | c: 847.287.3079

[kkapusta@nationalcooperativerx.com](mailto:kkapusta@nationalcooperativerx.com)

National Cooperative 