

Health Reform Legislative Task Force

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Pharmacy Benefit Management (PBM): Impact on Quality and Cost

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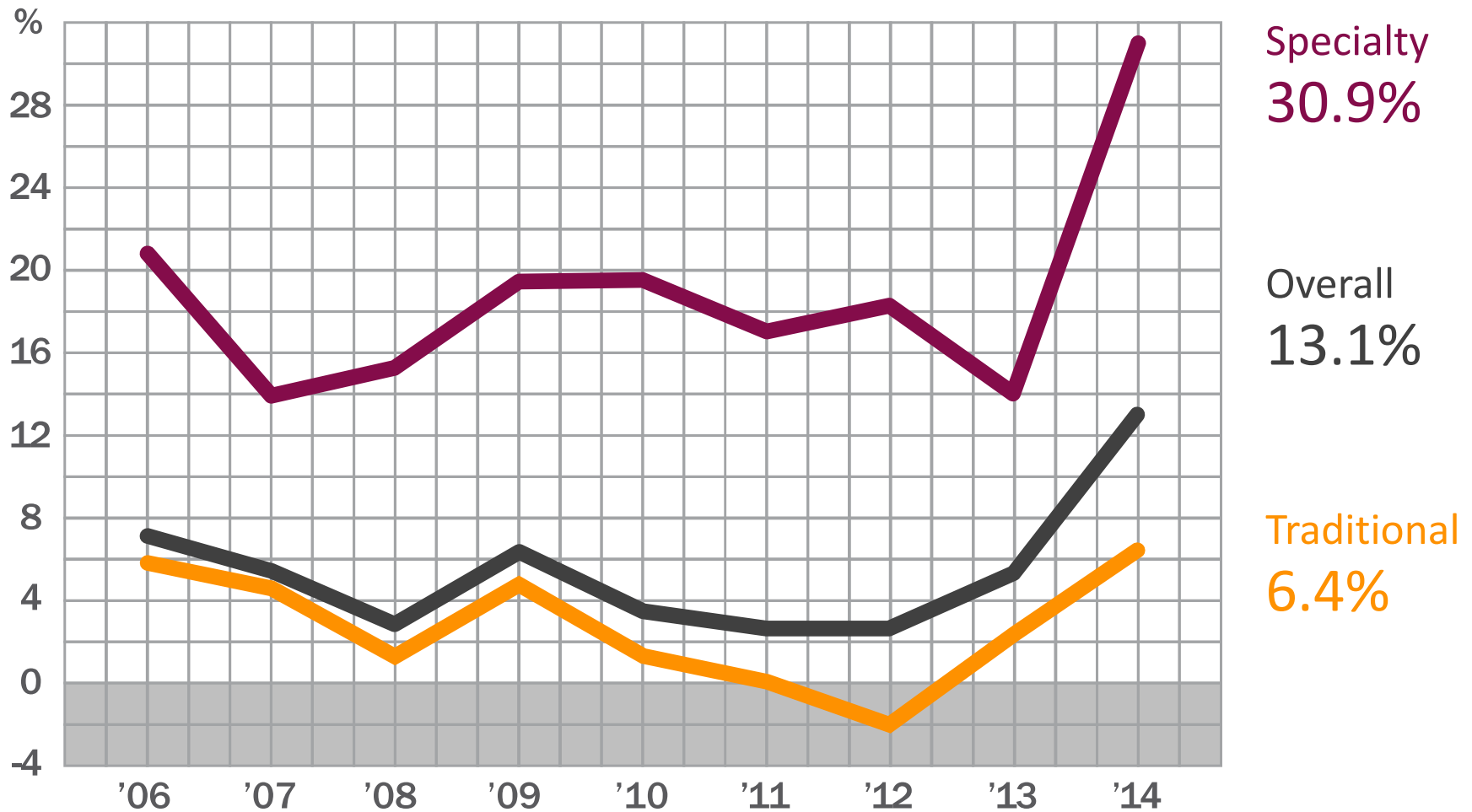
Express Scripts

- Manages the prescription benefit on behalf of our clients – employers, health plans, unions, government health programs, including the Department of Defense (DoD).
- Manages over one billion prescriptions a year for tens of millions of patients.
- Combines behavioral sciences, clinical specialization and actionable data - “Health Decision Science” - to help our clients and individuals make the best benefit choices, drug choices, pharmacy choices and health choices.
- **BETTER DECISIONS MEAN HEALTHIER OUTCOMES.**

Express Scripts in Arkansas

- Arkansas clients: Arkansas Best (Fort Smith); Arkansas Steel (Newport); Golden Living (Fort Smith); Murphy Oil/Murphy USA (El Dorado); Walmart (Bentonville); Windstream (Little Rock); and J.B. Hunt (Lowell).
- 2014 Arkansas retail claims processed: 5.7 Million
- Arkansas pharmacies in network (January 2013 – March 2015)
 - 2015: 759
 - 2014: 733
 - 2013: 734

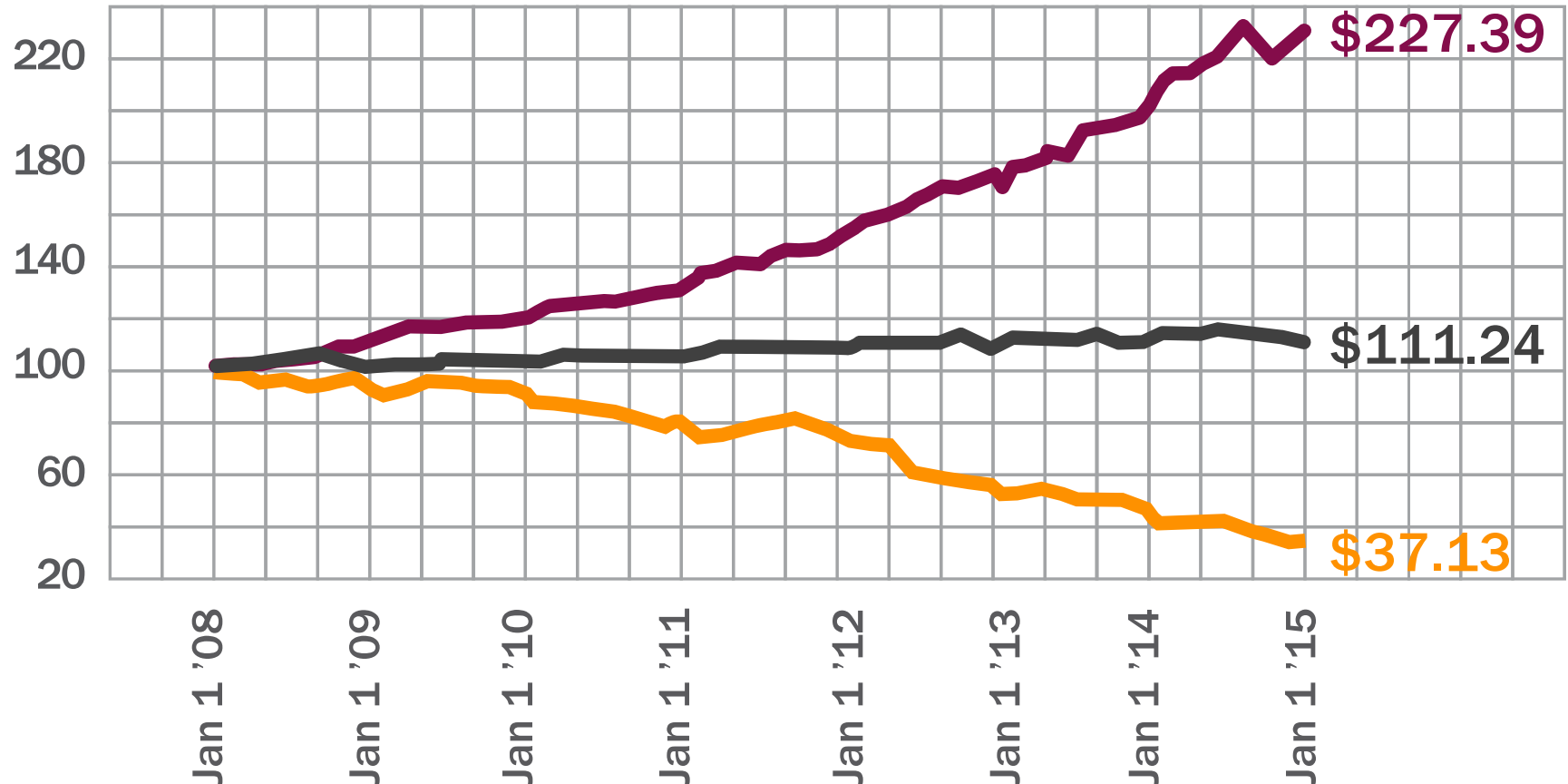
Drug Trend Over Time



Express Scripts Prescription Price Index



Index



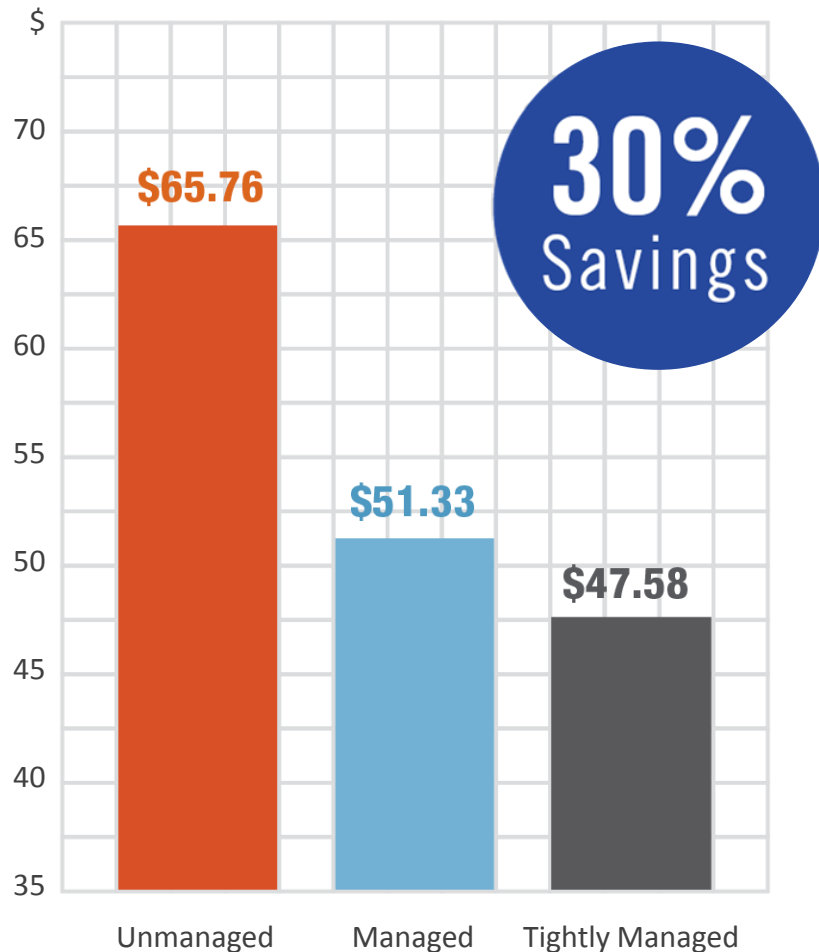
Brand Prescription Price Index Generic Prescription Price Index Consumer Price Index (BLS)

PBM Capabilities

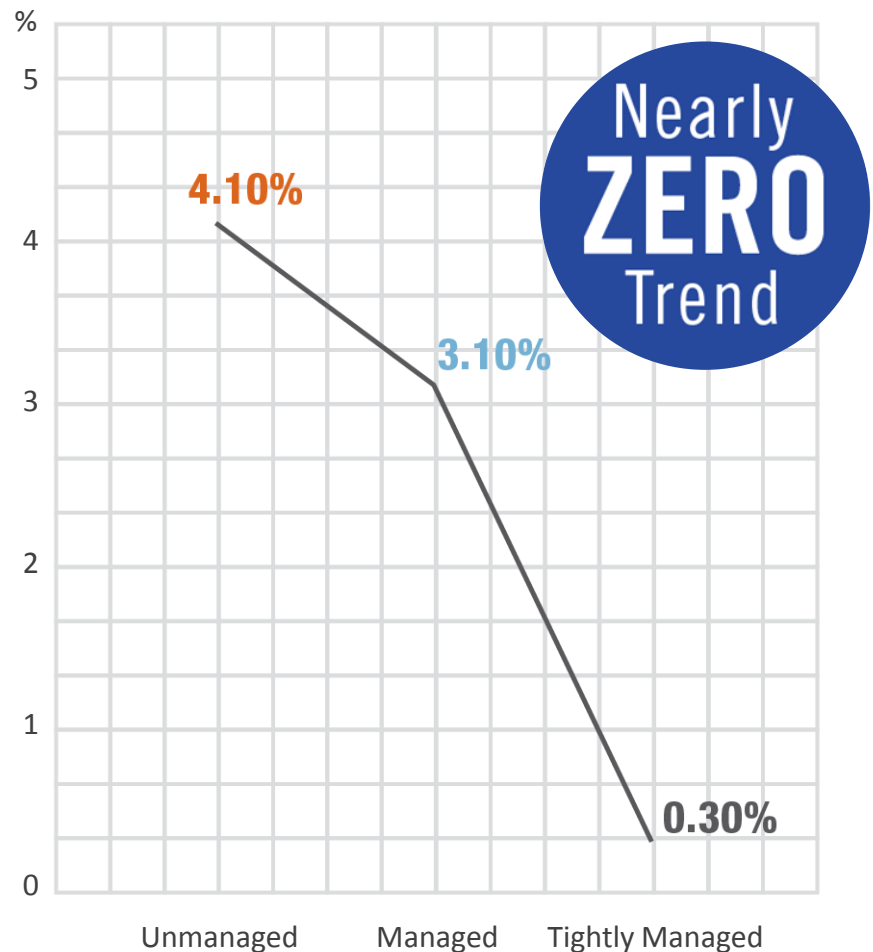


More than 15% of Express Scripts Clients Spent Less on Rx's per Capita in 2014 vs. 2013

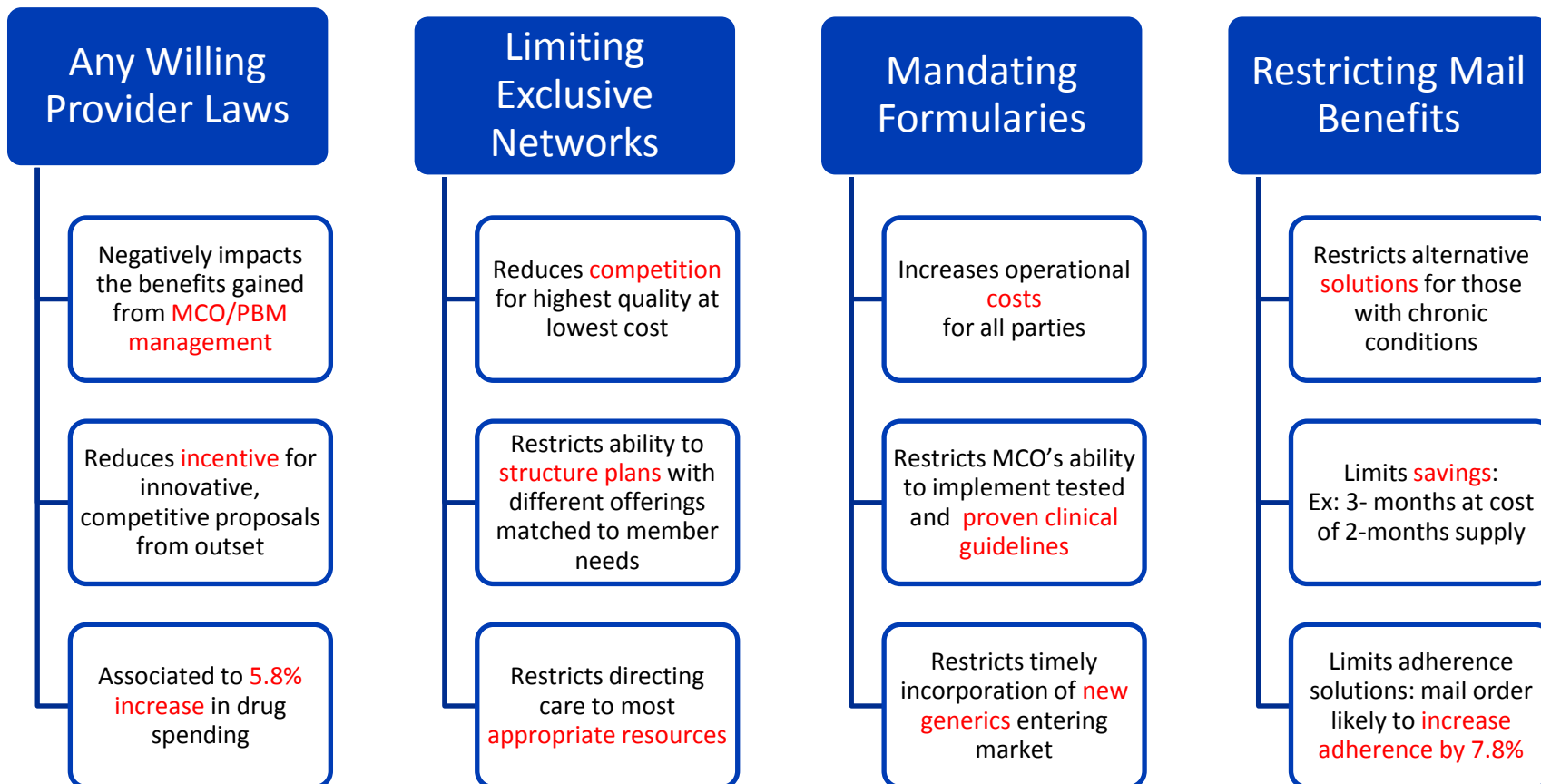
Spend (PMPM)



Trend



CAUTION: Costly Restrictions of Managed Benefits



Sources: Washington Legal Foundation: The Anti-competitive Effects of 'Any Willing Provider' Laws: Klick, Jonathon; Wright, Joshua; March 23, 2012)
 National Institute of Health Public Access: Mail-Order Pharmacy Use and Adherence to Diabetes-Related Medications; Jan 14, 2012; Find at: <http://www.ncbi.nlm.nih.gov/pmc/articles/PMC3015238/>