PHARMACEUTICAL BENEFIT MANAGEMENT

The cost, range and sophistication of medication is increasing rapidly

The introduction of expensive biological therapies and complexity of treatment plans have increased the financial burden on health-care funders. Innovative strategies, technologies and expert clinical skills in the form of pharmaceutical benefit management programmes are needed to manage this increased financial burden.

**KEY BENEFITS**

- A long history of managing chronic, biological and oncology medication utilisation through technologies that enable instant electronic assessment, re-pricing, payment and tracking of these medications.
- Our large team of experienced pharmacists, physicians and consultants manage these programmes from delivering novel formularies through to managing large-scale pharmaceutical benefit programmes.
- Prescription medication pre-authorisation and claims management is continuously improved by a multi-disciplinary team from our Health Policy Unit who maintain a large database of health technology assessments.
- The programme is supported by price analysis, generic reference pricing initiatives, cost and prescription trend data analysis of our Health Intelligence Unit.

Our world-class pharmaceutical benefit management programme has helped get the right medication to patients in a fast and affordable way.
01 Formulary consulting

1.1 Formulary development
The design of an evidence-based formulary that is appropriate to the benefit structure.
Our intelligent design process results in formularies that are customisable per client with a focus on access, cost-effectiveness and quality. This may include a list of medication that are automatically excluded for funding based on clinical and/or benefit-design grounds, e.g herbal supplements.

1.2 Reference pricing
Medication in a specific drug class is reference priced to an appropriate generic or reference agent. This allows for variable co-payments and/or partial funding in cases where the price of the prescribed medicine is above that of the reference price.

1.3 Clinical coding
Our advanced pharmaceutical rules engine supports the creation of bespoke clinical and funding rules. This enables the automation of authorization in line with benefit design.

1.4 Health Policy Unit (HPU)
This unit is responsible for the continual review and updating of all relevant pharmaceutical protocols and Health Technology Assessments (HTA) in line with local and international best practice. Academic subject matter experts support them in these reviews.

1.5 Oncology programme design
Design of the appropriate oncology pharmaceutical programme is in line with the benefit design and underpinned by local and international oncology guidelines.

02 Administration and intervention

2.1 Prescription medicine registration
Chronic medication scripts are captured and coded on the appropriate pharmaceutical benefit management system, thus enabling electronic processing and validation.

2.2 Medicine Exclusion List (MEL) and reference pricing
Scripts are automatically validated and processed. Excluded medication is automatically rejected and the amount that will be funded calculated with co-payment if applicable.

2.3 Pharmacist utilisation review
Scripts routed for intervention by the rules engine due to the requirement to obtain further information (e.g. the member’s cholesterol level), member queries and specific clinical rules are reviewed by experienced pharmacists.

2.4 Medical advisor review
Experienced medical doctors in conjunction review complicated cases in conjunction with the patient’s provider to expedite outcomes.

2.5 Expert committee
Pharmaceutical management can become highly technical or controversial, requiring the input of an experienced peer review committee. This committee meets weekly to review complex clinical cases and provide input on funding protocols.

03 Health-care technology platform

3.1 Pharmaceutical benefit management system
A custom built, scalable infrastructure for the transactional management of PBM programmes.

3.2 Data interchange
The system switches healthcare claims electronically and gives immediate responses directly from administrators in real time through state-of-the-art systems.
Flexible systems are able to handle the demands of multiple different third party administrators managing a variety of health insurers and medical schemes, each with vastly different demographics, health-care plan structures and multiple benefit options.

04 Health intelligence reporting

4.1 Utilisation analysis and service level reporting
Reports on claims, medication bought and patterns in prescribing

4.2 Disease profiling
Profiling of patient group’s risk adjusted in line with their disease coding and pharmaceutical prescribing patterns

4.3 Risk management
Pro-active reporting on new therapies, prescribing trends and future risks.

Sustainable health-care through cost risk management and outcomes improvement

PHARMACEUTICAL BENEFIT MANAGEMENT - DESCRIPTION
VALUE OF PHARMACEUTICAL BENEFIT MANAGEMENT

High volume processing

3 400 000 lines/month

Medication lines processed

2 720 000 Acute medication

680 000 Chronic medication

Chronic medication registrations

4 600 Automated -1,3%

18 000 Pharmacists -2,4%

1 700 Medical -1,3%

24 300 scripts/month

examples of interventions

out of formula no benefit
failed funding rules
generic substitution
drug utilisation review
less costly use
case by case review

Automated re-pricing

Pharmaceuticals processed per month

$50m

-2,1%
saved through reference pricing

-1,25%
saved through formularies