



# County of Galveston, \$0 Generic Drug Program

July 2024



A low-angle, upward-looking photograph of a modern skyscraper with a glass and steel facade. The building's lines converge towards the top of the frame, creating a sense of height and scale. The sky is filled with soft, white clouds against a pale blue background. A solid black rectangular area is positioned on the left side of the image, serving as a background for the title text.

# Overview

- Alliant's pharmacy team is a valuable resource to help clients navigate the complex pharmacy industry. By providing real-time industry insights, education, ongoing strategic support and competitive products we help you with clients and prospects.
- Our pharmacy practice focuses on several key areas:
  - strategy
  - pricing and contracts
  - clinical programs
  - formulary and network analysis and
  - delivery channel.



## \$0 Generic Drug Program

### Background

- Provided to benefit enrolled health plan members
  - Current design of program operated by Hitchcock Hometown Pharmacy, a pharmacist-owned and operated retail, specialty and 340B pharmacy business
  - Prior to Hitchcock Hometown Pharmacy arrangement, program operated through Parkwood Pharmacy via the County's various employee clinic locations
- 344 covered medications dispensed at a single, select pharmacy
  - List setup by drug name and dosage strength (not by NDC)
- Primary Objectives:
  1. Provide member access to \$0 generic drugs
  2. Maintain the County's overall financial liability at a manageable level
  3. Expand access to program including giving members ability to secure medications at multiple locations with extended hours and the ability to deliver medications to a member's home/work



## \$0 Generic Drug Program

### Current Status

- Covered \$0 Generic Drug List includes 344 medications
- Activity based on June – October 2023 invoice files:
  - Claims Filled = 3,176 (Annualized = 7,622)
  - Invoiced Charges = \$63,740 (Annualized = \$153,000)
- 12 claims for 8 drugs were filled that are not on the baseline \$0 Generic Drug List
  - Acyclovir (1), Clobetasol Propionate (1), Diclofenac (3), Doxycycline (1), Duloxetine HCL (1), Ipratropium (1), Ketorolac Tromethamine (1), Methocarbamol (3)



## \$0 Generic Drug Program

### Concerns

- Lack of \$0 Generic Drug List maintenance
- Lack of dispensing site oversight
- Access limited to single dispensing site
- Lack of integration with eligibility, claim processing and UM systems
  - Member access
  - Drug safety
  - Audit oversight
- No tie to contract terms
  - Discount and dispensing fee guarantees
  - MAC management





## \$0 Generic Drug Program

### Options

- **BCBS TX Preventive Drug List**
  - Not recommended due to limited comparability to current list
  - 38 drugs covered + 54 vaccines
  - Only 14 drug matches
- **BCBS TX HDHP-HSA Preventive Drug Program List**
  - **Recommended** based on breadth of drug coverage
  - Implement Standard Categories
    - Exclude Custom Categories (15 drugs, 227 Claims)
    - Exclude Extended Categories (4 drugs, 102 Claims)
  - Implemented list can cover brands as well as generics
  - List managed and maintained by BCBS TX
  - List development based on clinical criteria to support prescribers use of medications for preventive purposes
  - List use allows members to access drugs at any network pharmacy
  - \$0 Generic Drug Program ties to claim processing, UM programs and audit operations to ensure effective oversight
  - Discounts and dispensing fees for claims are tied to contract terms and integrated into performance guarantee reporting
  - Some member disruption will occur due to some currently covered drugs not included on the Preventive Drug Program List



\$0 Generic Drug Program

BCBS TX HDHP-HSA Preventive Drug Program List

- **BCBS TX HDHP-HSA Preventive Drug Program List**
  - January – May 2024 Actual Claims
  - Waived Cost to Fill Standard Drug Claims

Script Type	# of Users	# of Scripts	Plan Cost	Member Cost*	Annualized Member Cost*
Brand	251	832	\$631,434	\$58,030	\$139,272
Generic	808	2,892	\$59,589	\$46,288	\$111,091
Total	888	3,724	\$691,023	\$104,318	\$250,363

\* Current Member Cost that would be waived under \$0 Generic Drug Program

# \$0 Generic Drug Program

## BCBS TX HDHP-HSA Preventive Drug Program List

### Standard Categories

- Anti-Coagulants / Anti-Platelets
- Bowel Prep Medications
- Breast Cancer Primary Prevention
- Contraceptives
- Depression (Selective Serotonin Reuptake Inhibitors, SSRIs)
- Diabetes Medications (Hypoglycemic Agents, Insulin Only and Oral Only)
- Diabetic Supplies
- Fluoride Supplements
- High Blood Pressure (antihypertensives)
- High Cholesterol Orals
- Osteoporosis
- Respiratory (asthma/COPD)
- Tobacco Cessation (smoking cessation)
- Vaccines

### Extended Categories

- Antianginal
- Anti-Coagulants Preferred Brands
- Anti-Platelets Preferred Brands
- Diabetic Medications Oral (DPP4, SGLT2, DPP4+SGLT2 combo) Preferred Brands
- Diabetic Medications GLP1 Oral & Other Injectables Preferred Brands
- Diabetic Supplies - Continuous Glucose Monitors (CGMs) and Associated Supplies
- High Cholesterol Injectable PCSK-9s
- Respiratory Devices and Supplies
- Transplant (anti-rejection)
- Vitamins - Prenatal

### Custom Categories (available only to ASO Groups unless otherwise noted)

- Anaphylaxis Agents
- Antiarrhythmics
- Anticonvulsants
- Anti-Malarials
- Antipsychotics
- Breast Cancer Secondary Prevention
- Diabetic Supplies - Insulin Pumps and Associated Supplies\*\*\*
- Estrogen
- Gastrointestinal Ulcer
- Gout
- Heparin/Low Molecular Weight Heparin
- HIV/AIDS
- Influenza Agents
- Lipid Lowering – Other
- Mental Health
- Migraine Prophylaxis CGRPs Injectable
- Migraine Prophylaxis CGRPs Oral
- Substance Use Disorder
- Thyroid Agents
- Weight Loss





## Next Steps

- Confirm agreement with recommendation
- Notify current retail pharmacy of program change plans
- Notify BCBS TX of Preventive Drug List addition
- Add program change to 2025 Enrollment Materials
- Determine if member disruption communications needed

