

Specialty Pharmacy



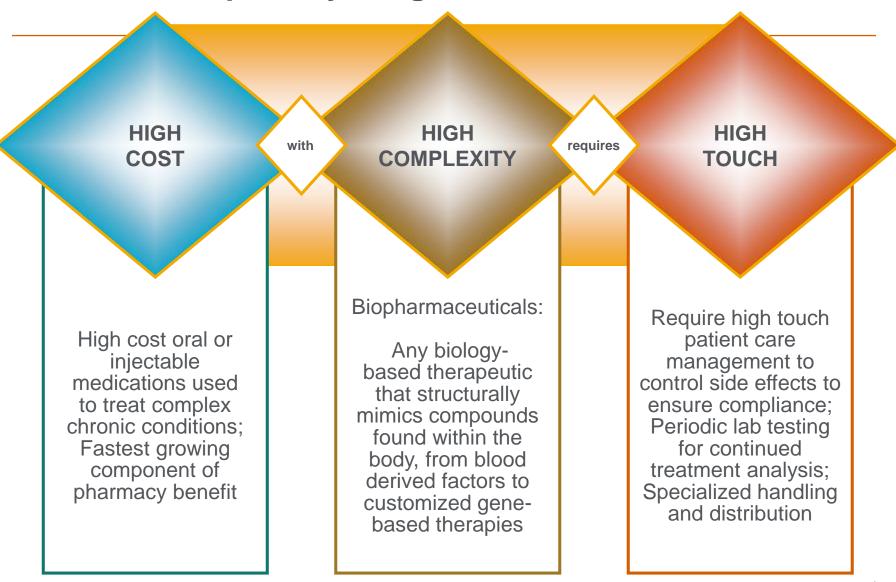
Presentation overview

- Specialty 101
- Clinical Management Program
- Future of Specialty Pharmacy



Specialty 101

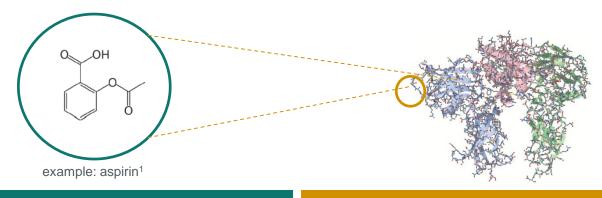
What are Specialty Drugs?





Biologic Medications

What makes biologics different?



TRADITIONAL MEDICATIONS

These are your typical brand and generic medications.

Simple structure

Easy to reproduce and replicate with one patent

FDA approval requires ~50 simple tests²

Many generics available

Average 30-day cost: ~\$80

BIOLOGIC MEDICATIONS

Many specialty medications are considered "biologics".

Extremely complex structure

Made in living cells = identical copies impossible with hundreds of patents

FDA approval requires ~250 complex tests²

Generics, or "biosimilars," not yet available

Average 30-day cost: >\$2000

^{2.} Buildingciologics.com. Manufacturing Matters with Biological Medicines: How Are Biological Medicines Different from Other Medications? 2013.



^{1.} P&T. Biosimilars Part 1: Proposed Regulatory Criteria for FDA Approval. May 2013.

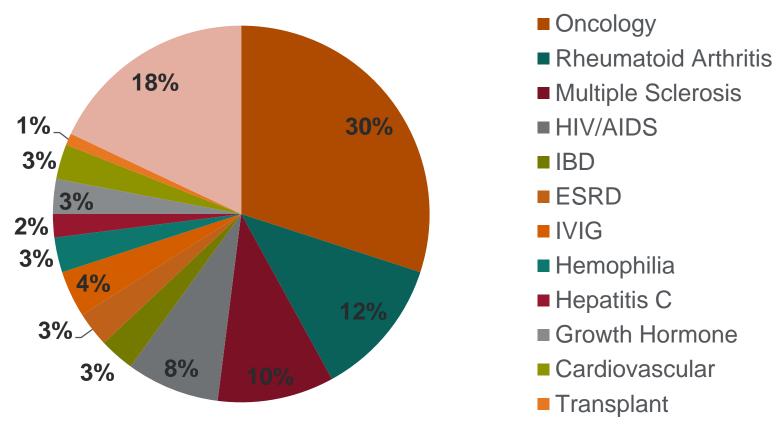
Specialty Pharmacy Considerations

- Complex conditions
- Distribution limitations
- Administration considerations (e.g. home injectable/infusions, MD office administration)
- Require close supervision and monitoring to improve compliance and reduce waste
- Potential for significant waste due to high cost



Specialty Pharmacy Considerations: Complex Conditions

Share of specialty drug spending by disease state for UnitedHealthcare fully insured commercial plans, 2012





Specialty Pharmacy Considerations: Distribution

- OptumRx Mail order shipping procedures
- Storage requirements
- FDA and Manufacturer requirements
 - Limited distribution list
 - Manufacturer supplies product to contracted pharmacies only
 - Reporting requirements
 - Risk Evaluation and Mitigations Strategies (REMS)
 - Serial numbers for product tracking
 - Post-marketing studies



Shipping and Delivery



Medication Delivery
OptumRx Specialty Pharmacy will ship
medication(s) with the accompanying materials



Tuesday through Friday

Saturday delivery is available if needed

Refrigerated Medications

1 business day

Non-refrigerated Medications

1-3 business days

Can ship to alternative addresses

Cannot deliver to P.O. Boxes

Signatures are required for over a certain dollar amount and/or doctor office deliveries

Free Supplies and Additional Information Included



- Welcome Letter
- Specialty Pharmacy Program Brochure
- Clinical Management Program Brochure
- Condition-Specific Information
- Refill Magnet



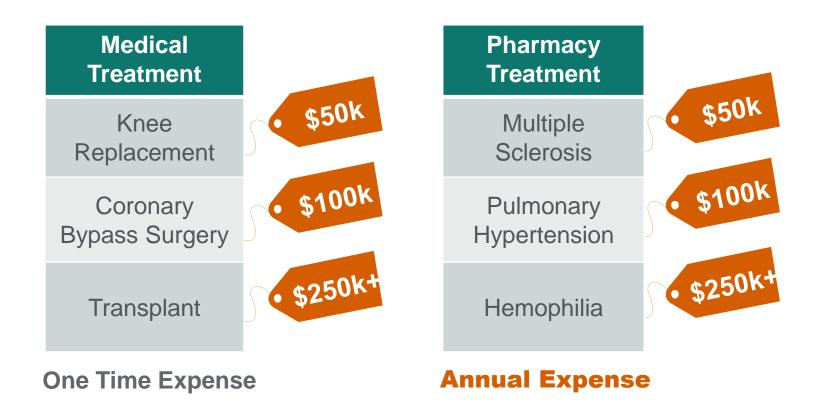


Specialty Pharmacy Considerations: Administration

- Injectable medication
 - Route of administration
 - Ancillary supplies
- Infusion therapy
 - Home use
 - Physician office administration
 - Ancillary supplies
- Oral medication
- Inhalable medication



Better Decisions are Critical for Complex Conditions



To manage cost, everyone should be expected to make **Better Decisions**.



Progression of Treatment Options in Hepatitis C

TIMELINE	MEDICATIONS	TOTAL COST OF THERAPY	CURE RATE	
2001-2011	Dual therapy –Peg-interferon (injection)ribavirin (oral)	\$20-40k	44%	
2011-2013	Incivek or Victrelis Added to dual therapy	\$50-70k	72%	
2013 (Q4)	NEW! Sovaldi or Olysio Replaces Incivek + Victrelis Added to dual therapy	\$108-168k	80- 100%	Most successful treatment to date



Pharmacy Benefit vs Medical Benefit

- 1. How is the drug administered?
- 2. Which benefit supports better care?
- 3. What is the total cost impact?

Pharmacy Benefit

- Self-injected by member at home
- Distributed by retail, mail or specialty pharmacy

Medical Benefit

- Administration/handling by physician or nurse
- Careful physician oversight and support needed
- Faster access and less disruptive to members/physicians





Clinical Management Program

A holistic care management approach

TOTAL CARE COORDINATION

Personal Care Team

- Dedicated to specific conditions
- Direct access to clinicians
- On-going support
- Scheduled appointments
- Comprehensive assessments

Interventions

- Multi disciplinary Collaboration
- Non-Compliance
- Adjustments in Therapy or Dose
- Support Program Referrals
- Side effect Management

Member-Specific Care Plan

- Education Resources
- Care Plan Topics
- Booklets
- Pamphlets
- Internet resources

Financial Assistance

- Assistance Program Referrals
- Support for costs
- Payment Plans
 - Aid with managing costs







Drug Management

- Review utilization and distribution so members get the right drug at the right price at the right time
- Reduce waste
- Financial assistance



Coordinating with Physicians

- Communicate issues related to patient's side effects
- Provide care plans from clinical management program
- Pharmacists and nurses have a one-on-one relationships with patients, and are subsequently better prepared to act as a patient advocate
- Communicate with physicians on compliance with REMS and manufacturer requirements



Monitoring Adherence

- Screen for adherence during refills
- Check for lab tests
- Review side effects and barriers to adherence
- Assess for complications that may prohibit members from managing their condition



Continual Member Outreach

- Support patients with a phone call every month to schedule deliveries
- Assist patient adhere to treatment and helps prevent setbacks
- Motivational Interviewing for continued adherence
- Scheduled Clinical Management Program appointments



Helping members manage side effects

- Referrals to other services
 - Optum Behavioral Health Services
 - Home nursing
- We are positioned to quickly contact providers to better support the member and help manage side effects



Helping members live with their condition

- Patients receive on-going phone calls from a pharmacist or nurse to discuss test results and changes in condition
- Provided a care plan after a Clinical Management Program consult
- Monthly education about their condition, medications, and managing side effects



Clinical Management Program (CMP)



ENROLLMENT

Promoted to eligible member during first call as well as subsequent refills, if they have not already enrolled.

DEDICATED CMP CALL CENTER

Comprised of:

- Customer Service Advocates
 - Schedules appointments
 - Confirms medication + diagnosis
 - Answers questions about program
- Pharmacists and Nurses
 - Provides individualized member consultations

PROGRAM OVERVIEW

Designated nurse or pharmacist contacts the member on a regular schedule based on their needs –

- Are you new to this medication?
- Are they having trouble taking their medication?
- Do they need help managing their side effects?

Concierge Services

- Provider outreach
- Financial resources
- 24/7 pharmacist support

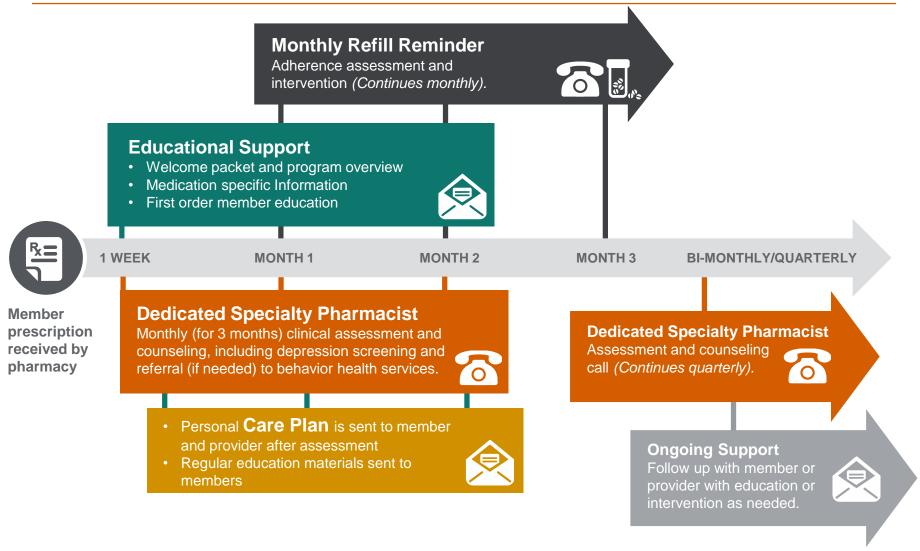
Programs cover > 95% of Specialty Claimants

- Crohn's Disease
- Hemophillia
- Hepatitis C
- HIV/AIDS
- Inflammatory Rheumatic Conditions
 - Ankylosing Spondylitis
 - Juvenile Rheumatoid Arthritis
 - Psoriatic Arthritis
 - Rheumatoid Arthritis
- Multiple Sclerosis
- Oncology
- Psoriasis
- Pulmonary Arterial Hypertension
- Transplant



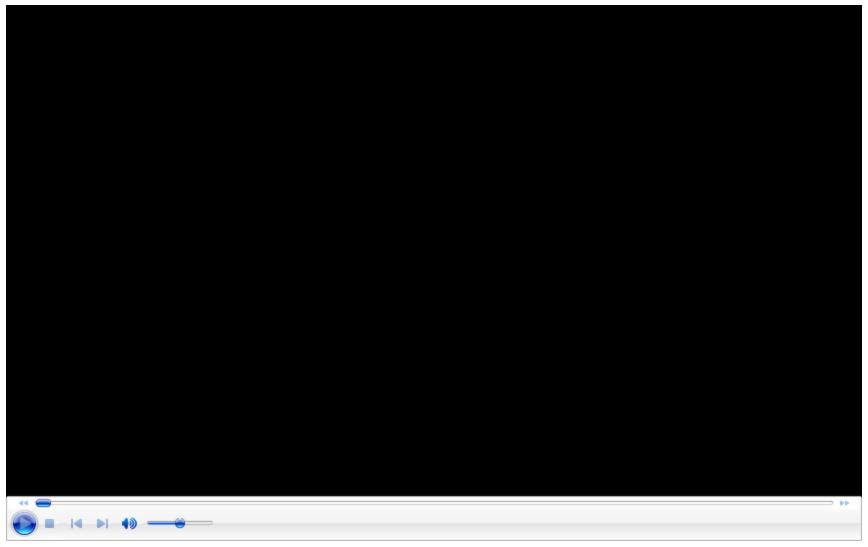
Specialty Pharmacy Program

Proactive Monitoring and Support





OptumRx Storytellers – meet Ginny





High Touch Pharmacy

- FDA Risk Evaluation and Mitigation Strategy (REMS) in place with required training, certifications, or other requirements
 - Patient Consultations
 - Detailed reporting requirements
 - Drug Utilization Review (DUR) with required interventions
- Manufacturer safety requirements
- Hemophilia Clinical Management
- High level of patient and provider interaction



Let's Take a Walk with John

We're providing oversight and care every step of the way in the most cost effective manner.

JOHN'S
EXPERIENCE
WITH
OPTUMRX
SPECIALTY
PHARMACY

- John's specialty pharmacist regularly assesses John's needs:
 - Supplies
 - Factor Dose
 - Upcoming doctor or dentist visits
- We also make sure John has the right amount of factor on-hand and adjust how much is dispensed to align with his dose and limit waste.

Proactive

Treatments

assessment or oversight

- John is connected with a nearby Hemophilia
 Treatment Center (HTC) which provides
 comprehensive care on all aspects of John's treatment including connecting John to a summer camp for kids with hemophilia.
- John's specialty pharmacist continues with monthly check-in calls with John's parents.
- Specialty pharmacy monitors John's medication inventory, checks his weight for dosing, and avoids overdispending. They even provide information for at home care when bumps and bruises occur.
- We connect John and his family with support services so they can self-manage his symptoms and are less likely to go to a hospital which helps to manage costs.

VS.

EXPERIENCE

SPECIALTY

PHARMACY

WITHOUT A

JOHN'S

 Without our Specialty Pharmacy Program, there may be no comprehensive

of John's needs.

Continuous Care

John and his parents may not be connected to the right disease specialists to provide hemophilia focused care and costs may be higher. Hospital Avoidance

 John's parents may be missing out on preventive or self management measures and may end up going to the hospital to control his bleeds.



Specialty Pharmacy Goals and Objectives

EMPOWER

Through education and support, enabling selfmanagement of the medication regimen and any symptoms that may be present

MAXIMIZE

Therapeutic outcomes by promoting medication adherence and persistence and reducing the risk of side effects

ENHANCE

Quality of life

INCREASE

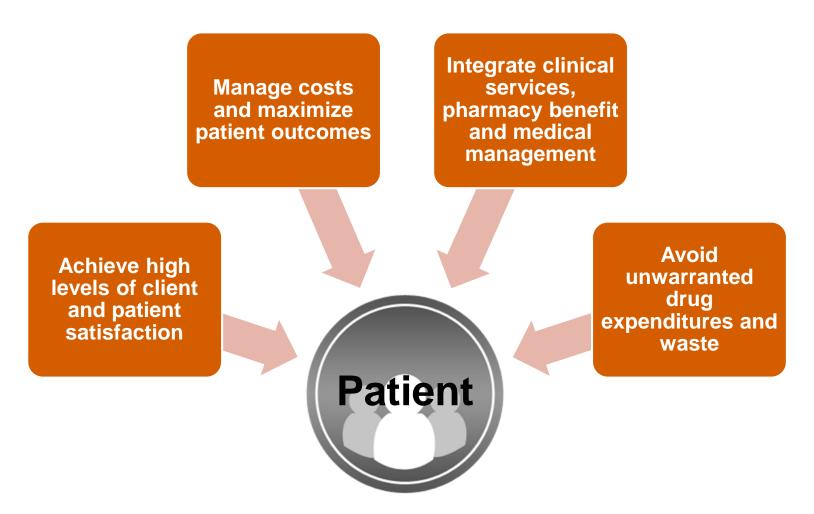
Knowledge of a patient's medical condition, treatment options, and overall management of their health

PROMOTE

Multi-disciplinary practice and interagency collaboration to achieve continuity of care



Specialty Care Management Philosophy



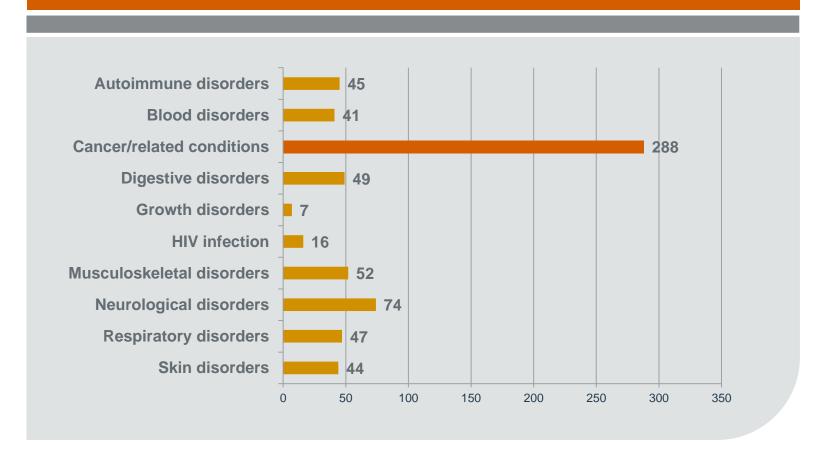




Future of Specialty Pharmacy

Specialty Drugs in Development

50% of drugs in the pipeline are specialty drugs. Of these, one-third are indicated for treating cancer.





The future of Specialty Pharmacy

- Specialty Pharmacy Practice
 - Specialty certification through Specialty Pharmacy Certification Board (SPCB)
 - Opportunities to specialize in specific disease states
 - Impact on other models of pharmacy practice
 - Traditional retail, home infusion, MD office infusion, hospital use
- Cost containment
 - Increased utilization of Specialty Pharmacy
- Biosimilars
 - Patient Protection and Affordable Care Act of 2010 (PPACA)







Thank You