



For more information contact:  
Michael or Mary Rode  
The Write Source for BHCG  
262-646-4242  
[info@thewritesourcegroup.com](mailto:info@thewritesourcegroup.com)

## **Business Health Care Group’s partnership with Navitus offers a fully transparent pharmacy benefit management solution**

MILWAUKEE – March 12, 2019 – The [Business Health Care Group](#) (BHCG), a coalition of employers located throughout eastern Wisconsin, announced today, that as a result of a partnership agreement with Wisconsin-based [Navitus Health Solutions](#) executed late last year, five member employers implemented the Navitus pharmacy benefit management (PBM) program in 2019. A significant number of additional employers are expected to implement the program in the near future.

Through the BHCG/Navitus agreement, employers have access to local and national market solutions aligned with their needs at preferred prices, highlighted by complete financial transparency and the lowest net costs in the industry. The BHCG/Navitus pharmacy management solution is available to employers and their plan participants, both locally and nationally (including outside of the BHCG 22-county Wisconsin market), either through full BHCG membership or on a pharmacy-only membership basis.

Says BHCG Executive Director Jeff Kluever, “This is a pharmacy management partnership BHCG is proud to present to our member employers and other employers looking for a transformative, cost effective PBM solution. It combines financial performance with demonstrated service and clinical excellence through a standout business model that aligns incentives with the best interests of employers.”

### **Lowest net cost strategy**

Unlike traditional pharmacy benefit managers who receive revenue from both pharmaceutical manufacturers and health plans, Navitus’ only revenue comes from per member month (PMPM)

pharmacy administrative fees. Using a lowest net cost strategy, Navitus passes through 100 percent of all rebates and any other revenue received by pharmaceutical manufacturers.

Navitus' fully transparent model also does away with the widespread practice known as spread pricing, where PBMs markup—sometimes dramatically—the difference between the amount they reimburse pharmacies for a drug and the amount they charge their employer clients. In addition, Navitus owns its own specialty pharmacy, Lumicera, which features a unique first-in, first-out cost plus pricing model.

“An employer representative needs to have complete confidence they're meeting their employer fiduciary responsibility. Unless a PBM is fully transparent with a 100 percent pass through model, you truly can't know if you're meeting your employer fiduciary responsibility,” explains Kluever.

Navitus' business model's five-year cumulative impact on PMPM pharmacy benefit costs is leading the industry. In 2017, Navitus' average PMPM of \$76 was 15.5 percent lower than the national average of \$90 PMPM.

### **Evidence-based formulary management, full transparency and high touch customer service**

In addition to its 100 percent pass through, PMPM only model, the BHCG/Navitus PBM partnership solution features:

- Negotiated contract template with preferred pricing
- Evidence-based formulary management based on a lowest net cost strategy, not rebates, to maximize cost effectiveness and quality of care
- Best in class practices (e.g., oversight of emerging drugs, disease state management, quality providers, etc.)
- Superior, high touch customer service resulting in industry-leading member and implementation satisfaction
- Unrestricted audit rights with complete access to pharmaceutical manufacturer rebates, retail network pharmacy, mail order and specialty network contracts
- Complete employer/member access to claim level data via a web-based reporting tool

Navitus President & CEO Terry Seligman and his team look forward to collaborating with BHCG to promote the partnership's value proposition and create long-term value. “As a company, we have

continually asked ourselves, ‘How can we be more transparent and serve needs rather than profits?’ We are extremely pleased to partner with an organization like BHCG that appreciates the value of our partnership culture and our 100 percent pass through, fully transparent business model to help other employers meet their pharmacy benefit goals,” he says.

**About the Business Health Care Group**

*The Business Health Care Group leverages member employer purchasing power and knowledge to lead change. The organization creates value through innovative, shared strategies to improve health care quality and cost efficiency for employers, employees and the community. BHCG membership exceeds 200,000 covered lives in the 22-county region of eastern Wisconsin. Visit [BHCGWI.org](http://BHCGWI.org) to learn more.*

**About Navitus Health Solutions**

*Navitus Health Solutions, LLC, a division of SSM Health, is a full-service, URAC-accredited pharmacy benefit management company. As a zero-spread, full pass through pharmacy benefit manager (PBM), Navitus aligns performance with plan sponsors’ benefit goals to deliver comprehensive clinical programs and cost-saving strategies that lower drug trend and promote good member health. Navitus provides its flexible services to government entities, self-funded employers, coalitions, labor organizations, third-party administrators, and health plans, including managed Medicaid, Exchanges, and Medicare Part D.*

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