

Business Health Care Group and Navitus Health Solutions®

Working Together for Employers





A Transformative Partnership

The partnership between the Business Health Care Group (BHCG) and Navitus Health Solutions offers BHCG member employers a game changing pharmacy benefit management solution that directly aligns with employers' objectives and offers them control over plan options, formularies and drug spend.

Through the leverage of a powerful collective voice, employers nationwide have access to an **industry changing solution, preferred pricing and performance guarantees** to tackle an ever-increasing portion of health care costs.

Other partnership advantages include:

- Consultative decision-making services
- Enhanced contractual terms and conditions
- Negotiated services agreement template with expert legal review
- Implementation allowance
- Financial audit and oversight
- Enhanced access to benchmarked data
- Opportunities for improved provider prescribing and targeted disease solution initiatives
- Data sharing

High-Touch Customer Care



Educate & engage plan members as consumers

- Member portal uses data-driven consumer information (including prior authorizations) to support drug buying decisions
- First call resolution call center for members and pharmacies focused on quality and resolution, not quantity
- Pharmacists available 24/7 for clinical needs
- Industry-leading customer service satisfaction
- Mobile app provides easy access to member-specific information



A Simple Model to Benefit Employers and Patients

Ensure quality care and best pricing when incentives and benefits align

- A **unique industry model** where the only source of revenue is a per member per month (PMPM) administrative fee
- **Full access to data** that gives complete insight into costs
- **Clinically (not rebate)-driven formularies** to maximize quality and cost effectiveness
- A **collaborative process** between the employer, broker/consultant and Navitus to develop a customized formulary designed to optimize drug mix
- A **focus on appropriate utilization** to get the right drug into the patients' hands
- A **high-touch specialty pharmacy** with fully transparent pricing model
- **Flexibility** to launch other innovative initiatives



Proven Lowest Net Cost Trend Management

Spend less – and only on drugs that are needed

- **100% pass through** of rebates and pharmacy discounts – no conflicts of interest
- **Administrative fee-only** revenue model with no hidden revenue streams
- **Guaranteed transparency** with 100% pass through data and online access to all transactions down to the claim level
- **Net cost PMPM model** proven to be significantly lower than competitors and national average



Ease of Implementation

Eliminate employee “noise” through a smooth and efficient transition process

- **100% implementation overall satisfaction rate** for seven years running – a highly effective project management approach led by an experienced and efficient team that follows the client for the life of the contract and makes for a faster and smoother transition
- **Implementation readiness assessment** to identify unique areas of concern and member education needs
- **Tried and true “go live” day process** that continuously monitors how claims are paid in the first critical 24 hours and beyond
- **90-day implementation process** (or less, if necessary)

CASE STUDY:

Gaining Control Over Pharmacy Spend

BACKGROUND:

Public employer finds sustainable PBM solution

In 2018, the city of Kenosha, Wisconsin, with 900 employees and approximately 2,400 plan members, looked to replace their existing pharmacy benefits manager due to unsustainable cost increases.

Using preferred contract rates and terms negotiated by BHCG, the City implemented Navitus Health Solutions on January 1, 2019.

RESULTS:

\$3.3+
million

\$3.3+ million saved in pharmacy costs in first four years with Navitus

-46%

46% decrease in net plan cost Per Member Per Month (PMPM) from 2018 to 2022

+296%

296% increase in rebates from 2018 to 2022 due to Navitus’ 100% pass through of rebates and pharmacy discounts

-22%

22% reduction in total plan costs (before rebates) from 2018 to 2022 due to clinically-driven formulary management

BHCG Mission Statement:

The Business Health Care Group leverages member employer purchasing power and knowledge to lead change. We create value through innovative shared strategies to improve health care quality and cost efficiency for employers, employees and the community.



Want to learn more?

Contact Jeffrey Kluever,
Business Health Care Group

262.875.3312

jkluever@BHCGWI.org

Visit **www.BHCGWI.org**



NAVITUS HEALTH SOLUTIONS

A Winning Formula

BEST IN CLASS STRATEGIC PARTNER

Navitus Health Solutions, BHCG's best in class strategic partner for pharmacy benefit management since 2018, continued its strong performance in managing pharmacy benefits for BHCG member employers in 2022. In aggregate, member employers:

- Had a Net Total Cost PMPM decrease of 1.47 percent (nine clients had a negative trend)
- Received more than \$6.4 million in rebates in 2022 which was \$152,000+ more than they would have received, had their contract limited the rebates strictly to the guaranteed rebate amount.

2022 DRUG TREND & INSIGHTS

Navitus recently released their 2022 Drug Trend & Insights Report for its entire book of business. As in past years, the 2022 report demonstrates how Navitus is outperforming the PBM industry on several key metrics for all its clients:

- Commercial clients saw just a 2.6 percent average increase in Net Total Cost¹ PMPM trend from 2021 to 2022
- Forty-nine percent of Navitus commercial clients saw their net drug spend decrease compared to 2021
- Decreased unit costs helped to manage total specialty trend to a modest 3 percent PMPM increase for commercial clients
- Modest utilization growth (1.7 percent) in the non-specialty space, offset by a reduction in unit cost (-2.6 percent), led to a negative overall PMPM trend (-.9 percent) in 2022.

¹Net total cost includes total cost paid by plans and members minus manufacturer rebates.

"Our move to Navitus Health Solutions in 2019 has been a rousing success. In addition to providing outstanding customer service, Navitus has delivered on its promise of complete transparency and significant cost savings. Since we've been working with Navitus, the City's pharmacy costs have dropped 46 percent, resulting in more than \$3.3 million in cumulative savings."

- Samantha Schuirmann
Interim Director of Human Resources

"A refreshing and unique model where all revenue comes through an administrative fee. This is innovative in the industry where most employers have no idea of how their PBM is making money."

- Dave Osterndorf, *BHCG*
Strategic Consultant

