

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:

\$4.2+
million

\$4.2+ million saved in pharmacy costs in first five years with Navitus

-37%

37% decrease in net plan cost Per Member Per Month (PMPM) maintained over five years

5x

Five times more rebates secured in 2023 compared to 2018 due to Navitus' 100% pass through of rebates and pharmacy discounts

-17%

17% average reduction in total plan costs (before rebates) maintained since 2018 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?

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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 2023.

- Thirty-eight percent of member employers had a negative trend from 2022 to 2023.
- In aggregate, member employers received over \$13 million in rebates in 2023. Through the 100% pass-through model, this is \$1 million+ more than if contracts were limited to guaranteed rebate amounts.
- Member employers spent an average of \$64.56 PMPM on pharmacy benefits with their previous PBMs in 2018. These same clients paid \$65.06 in 2023 (less than a 1% increase) in Net Plan Cost PMPM over the course of five years.

2023 DRUG TREND REPORT

Navitus recently released their 2023 Drug Trend Report for its commercial book of business. As in past years, the 2023 report demonstrates how Navitus is outperforming the PBM industry on several key metrics for all its clients:

- The year-over-year average net cost trend for Navitus commercial book of business was 6.8%.
- Despite notable increases in unit cost and utilization, nearly one-third (29%) of Navitus commercial clients experienced a negative year-over-year trend.
- Decreased unit costs (-4.9%) helped to manage total specialty trend to a modest 5.7% PMPM increase for commercial clients as utilization trend increased more than 10%.
- In 2023, new clients saw an average 11% reduction in Rx costs compared to the previous year with a different PBM.

"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 37%, resulting in more than \$4.2 million in cumulative savings."

- Samantha Schuirmann
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

