![BHCG Business Health Care Group logo]

Business Health Care Group, Navitus User Group Meeting
Meeting Minutes
Wednesday, August 7, 2024, 11:30am-1:00pm
Baird Conference Center, 777 E Wisconsin Avenue, 29th Floor, Milwaukee, WI
and Virtual

Attendees:	
Jeff Kluever, BHCG	Caroline McNall, Yokes Foods
Dave Osterndorf, BHCG	Amanda Geber, Sargento
Jennifer Lamere, BHCG	Monica Hinek, Charter Manufacturing
	Jennifer Janzen, Olympus Group
Steve Alexander, Navitus	Jessica Weiland, Masters Gallery Foods
Annette Pownell, Navitus	Samantha Schuirmann, City of Kenosha
Nicolette Dietrich, Navitus	Sherri Samuels-Fuerst, Sargento
Emma Holmi, Navitus	Sara Schroeder, Charter Manufacturing
Kelli Kimberley, Navitus	Kate Scherkenbach, Baird
Jim Klinkner, Navitus	
Emily Walker, Navitus	
Michelle Bendau, Navitus	
Michelle Estrada, Navitus	
Hunter Singer, Navitus	
Kailey Jones, Navitus	

Agenda	Leader(s)
Introductions and purpose BHCG is creating a number of user groups with the Navitus User being the first. User Group Goals: Employer Education and Advocacy Maximize vendor capabilities and employer investment Format is open-ended and success relies upon participation	Jeff Kluever
Legal Landscape Wells Fargo Lawsuit– At question is Rx plan's fiduciary responsibilities (similar to the J&J lawsuit). Aggressive pursuit by legal firms. Navitus indicated that their transparent business approach means 100% of rebates, discounts and incentives received by pharmaceutical manufacturers are passed along to clients. Business model is to offer a lowest net cost. They are seeing an uptick in RFPs. BHCG is close to finalizing the Navitus 2025 agreement. Connie Perry is assisting with the negotiation. Anticipate the terms and conditions to be largely the same. Conversation is focused on pricing; 3% fee increase expected.	Dave Osterndorf
Navitus GPO – Rebate Program Performance (see slide deck) Baird shared historical rebate performance. 2020 - $1.6m – claim spend was $7.9m; rebates were 20.3% of spend 2021 - $1.9m – claim spend was $8.7m; rebates were 21.8% of spend	Steve Alexander

2022 - $3.1m – claim spend was $10.4m; rebates were 29.8% of spend 2023 - $4.4m – claim spend was $12.7m; rebates were 34.7% of spend 2024 and 2025 are projected to be at same level as 2023.e increases. Navitus book of business saw similar growth. BHCG admin fee for the program is $.30 pmpm which is lower than non BHCG pricing of $.40 pmpm. Program goals - combines the benefits of the GPO model with Navitus' transparent, pass-through approach (began 10/1/2021) • Ability to pass through 100% of manufacturer rebates and fees • Ability to maintain formulary and utilization controls • Ability to fully access all manufacturer incentives • Ability to maximize savings through consolidation GPO is not a rebate aggregator. Clients are not steered to medications that are the highest rebates. Formulary control to drive lowest net cost. Program process – • Navitus submits paid claims and formulary information to GPO partner who invoices manufacturer • Navitus receives rebate payments quarterly • 100% of all manufacturer rebates received by Navitus are paid to clients, less a Navitus rebate GPO admin fee Yoke Foods – also received large rebate checks; have been on track to learn more about pharmacy industry; hard to understand; feel like we're at the mercy of what is prescribed; want to learn; how we can affect change Navitus agreed to pull together for each BHCG member company and in aggregate, a list of additional manufacturer dollars available.	
Access Guidance - Manufacturer Assistance Program (see slide deck) Program goal – Optimizes the scope of copay assistance by: • Providing clinical and financial guidance to members with complex conditions • Optimizing savings for client and patients • Available for more than drugs • Pharmacy agnostic • Applying only the final member responsibility after copay assistance to deductible and maximum out-of-pocket (MOOP) accumulators Pharmacy reimbursements may not be tied to acquisition cost. With Lumerica as the dispensing pharmacy, their reimbursement is tied to what they paid for the drug. Drug costs may change multiple times throughout the year. Original intent of manufacturer programs was to assist members in affording their medications. Some manufacturers are putting stipulations on funds for those that do have commercial coverage.	Annette Pownell

Why do members pay the small copay even after manufacturer assistance has been depleted? The plan is taking those dollars. Without a copay assistance program, the member would pay the small copay for the entire year. Calculation can be set up differently for HDHPs to "the greater of" logic. Assistance doesn't apply to deductible. Employers expressed the complexity associated with the program and difficulty communicating to members. Regulatory Update • Alternative funding programs are seeing the most change (this is not the same as the Access Guidance program). • Copay assistance – state laws legislate that manufacturer assistance must apply to deductible and out-of-pocket maximum; not currently a WI requirement and SF plans are exempt. • US District Court returned us to a gray state. Business as usual but will monitor. HHS guidance is expected during 2025 for 1/1/2026.	
Network Opportunities (see slide deck) Opportunity to exclude CVS or Walgreens. State of WI savings – 240k members, excluded CVS, $12.5m in savings Proposal for 4000 member lives excludes CVS, using Walgreens and Costco estimated 3.6% savings	Jim Klinkner
Rx Claims – Coordination of Benefits BHCG member company had a situation where only the plan's information (secondary information) was provided at pharmacy even though primary insurance should have processed first. This was an expensive drug. Navitus reprocessed. Most medical TPAs/insurers don't pass this information along to the PBM. BHCG member company will query employees at OE for secondary information and pass along to the PBM. Will add this topic to the next agenda.	Jeff Kluever
Future Meetings and Areas of Interest Attendees were asked to submit ideas to Jennifer. Some meetings will occur without Navitus representation.	Jeff Kluever