

## Navitus Networks

# Networks Overview – The Team

- Jim Klinkner
  - Manager, Client and Implementation Support
  - 8+ years with Navitus
- Hunter Singer
  - 4+ years with Navitus
  - Primarily Retail Network and Mail Order support
- Michelle Estrada
  - Joined Navitus June of 2024
  - Primarily Retail Network and Mail Order support
- Austin Affolter
  - 3+ years with Navitus
  - Primarily Specialty Network support

# NaviCare Broad Network

- NaviCare National Plus Network
- Provides access to all providers contracted with Navitus; this offers the widest range of pharmacies
  - Approximately 63,000 nationwide
- While market competitive, the Broad Network contracted rates are the least aggressive discounts and dispensing fees on networks
- As a pass-through, fully transparent PBM, our updated contracted rates with pharmacies apply to claims on the date the pricing addendum becomes effective, there is no waiting period to the start of the next plan year for the client to benefit from improved pricing
- Recommended for clients that want the least amount of pharmacy disruption for their members

- Navitus National Value Network
- Reduces the number of in-network pharmacies by removing at least one major chain
  - Walgreens or CVS excluded from network
  - Approximately 53,000 pharmacies remain available nationwide
- The more aggressive discounts result in lower cost prescriptions
  - Lower cost to clients
  - Lower cost to members at point of sale on coinsurance plans
- Walgreens requires a minimum market share for their Limited Network
  - In order to obtain the Limited Network rates 15% of the retail claims must be available for redistribution
- With a typical 40-50% Walgreens + CVS utilization, we see potential savings of 5-8% of Retail spend
  - We have seen as high as 12% or more savings with clients showing 60-75% Walgreens + CVS utilization
- Timing to implement is approximately 120 days
  - Member notification is required by the No Surprises Act for “negative” changes to their plan benefit

# Open R30/Exclusive Extended Supply

- Navitus National Exclusive EDS
- Reduces the number of in-network pharmacies in EDS network
  - Approximately 63,000 pharmacies available for R30 scripts
  - Approximately 10,000 pharmacies available for EDS
- All contracted pharmacies are available for R30 scripts (NaviCare National Plus)
  - Can also pair with a Preferred R30 network or Limited R30 network
- In-house pharmacies can be included into exclusive EDS network
- Clients can choose between Walgreens or CVS, in combination with Costco, for EDS exclusivity
  - R30 generic pricing improved at Walgreens or CVS
  - Walgreens or CVS and Costco EDS Retail
- A bit lower potential savings than full limited option, but still more savings than broad network (approximately 3-5% of Retail spend)

# NaviCare Preferred Network

- Navitus National Preferred
- Full access to all Retail contracted pharmacies
  - Access to roughly 63,000 nationwide pharmacies
- Directs members to *Preferred* subset of pharmacies
  - “Preferred Pharmacy” means a Participating Pharmacy where a Member receives plan benefit incentives to use the selected pharmacies.
- Preferred pharmacies provide more aggressive discounts than the remaining non-preferred pharmacies
- For a pharmacy to be considered “Preferred”, there must be a copay differential of approximately \$10
  - This applies to all tiers and all drugs
- A bit lower potential savings than full limited option, but still more savings than broad network (approximately 1-2% of Retail spend)

# BHCG Client Base

Client	Location	# Members	% Membership
<b>Baird</b>	Milwaukee, WI	9,567	34%
City of Kenosha	Kenosha, WI	2,386	9%
Masters Gallery Foods	Plymouth, WI	1,535	5%
Olympus Group	Milwaukee, WI	168	1%
<b>Perlick Corporation</b>	Milwaukee, WI	363	1%
<b>Oak Creek-Franklin Joint School District</b>	Oak Creek, WI	1,396	5%
<b>Charter Manufacturing</b>	Mequon, WI	4,251	15%
Sendik's Food Market	Milwaukee, WI	817	3%
Sargento Foods	Plymouth, WI	4,354	16%
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<b>AFSCME Council 31</b>	Springfield, IL	324	1%
Centivo - Stew Leonard's	Norwalk, CT	1,296	5%
<i>Centivo - Topix Pharmaceuticals</i>	North Amityville, NY	286	1%
<b>Centivo - Yoke's Foods</b>	Spokane Valley, WA	1,177	4%
*Six clients are on Limited Networks. <b>Bold</b> are on Full Broad; <i>Topix</i> has Broad R30/Costco only R90		<b>Total</b>	<b>27,920</b>
			<b>100%</b>

# Example of Potential Savings



Navitus Health Solutions

## Network Savings Analysis

Member Count: 3,581

Claims dated XX to XX

Pharmacy Type	Brand/Generic	2025 Estimated Cost - Broad Network	2025 Estimated Cost - WAG+Costco EDS Network	Annualized Savings (\$)
Retail 30	Brand	\$1,012,165	\$1,011,536	\$629
Retail 30	Generic	\$305,065	\$299,656	\$5,409
Retail 90	Brand	\$721,482	\$688,395	\$33,087
Retail 90	Generic	\$208,786	\$164,432	\$44,353
Mail	Brand	\$74,931	\$74,931	\$0
Mail	Generic	\$31,505	\$31,505	\$0
Retail 30	Dispensing Fee (Brands & Generics)	\$40,733	\$39,934	\$799
Retail 90	Dispensing Fee (Brands & Generics)	\$31,504	\$0	\$31,504
	<b>Total Rx Spend:</b>	<b>\$2,426,170</b>	<b>\$2,310,390</b>	<b>\$115,780</b>
		<b>Estimated 2025 Savings (\$)</b>		<b>\$115,780</b>
		<b>Estimated 2025 Savings (%)</b>		<b>4.77%</b>
		<b>2025 Savings Per Member Per Month</b>		<b>\$2.69</b>

### Network Options

**Current Network: Broad Network**

**Proposed Network: Broad Retail 30, Walgreens + Costco Exclusive R90, Costco Mail**

### Modeled Assumptions

Final Paid Claims only

Excludes: Compounds; Secondary Claims; Vaccines; Specialty; LTC; VA; ITU; Home Infusion

No drug trend projections used.

Annualized data calculations based on noted claim date range above.





# Network Access

Network Analysis

## Access Detail By Zip Code Classification

August 7, 2024

Access Analysis  
Member Network Access

Member / Provider Groups  
Member Group  
National Network  
Walgreens EDS Network  
Excluding CVS Network

Members With and Without Access										
Zip Code Class	Member	Provider		With Access		Without Access		Average Distance		
	#	Group	Standard	#	%	#	%	1	2	3
Rural	579	National Network	R 1 in 15 miles	579	100.0	0	0.0	2.3	3.0	3.7
		Walgreens EDS Network	R 1 in 15 miles	575	99.3	4	0.7	3.5	6.2	8.0
		Excluding CVS Network	R 1 in 15 miles	579	100.0	0	0.0	2.3	3.0	3.8
Suburban	1,418	National Network	S 1 in 5 miles	1,418	100.0	0	0.0	1.1	1.4	1.8
		Walgreens EDS Network	S 1 in 5 miles	1,418	100.0	0	0.0	1.4	2.6	3.4
		Excluding CVS Network	S 1 in 5 miles	1,418	100.0	0	0.0	1.1	1.6	2.0
Urban	1,584	National Network	U 1 in 2 miles	1,579	99.7	5	0.3	0.6	0.9	1.1
		Walgreens EDS Network	U 1 in 2 miles	1,562	98.6	22	1.4	0.9	1.6	2.1
		Excluding CVS Network	U 1 in 2 miles	1,579	99.7	5	0.3	0.7	0.9	1.2



- What are the roadblocks preventing the Narrow Network decision?
- Those in Narrow Networks:
  - What drove your decision?
  - What is working well?
  - Any pain points?