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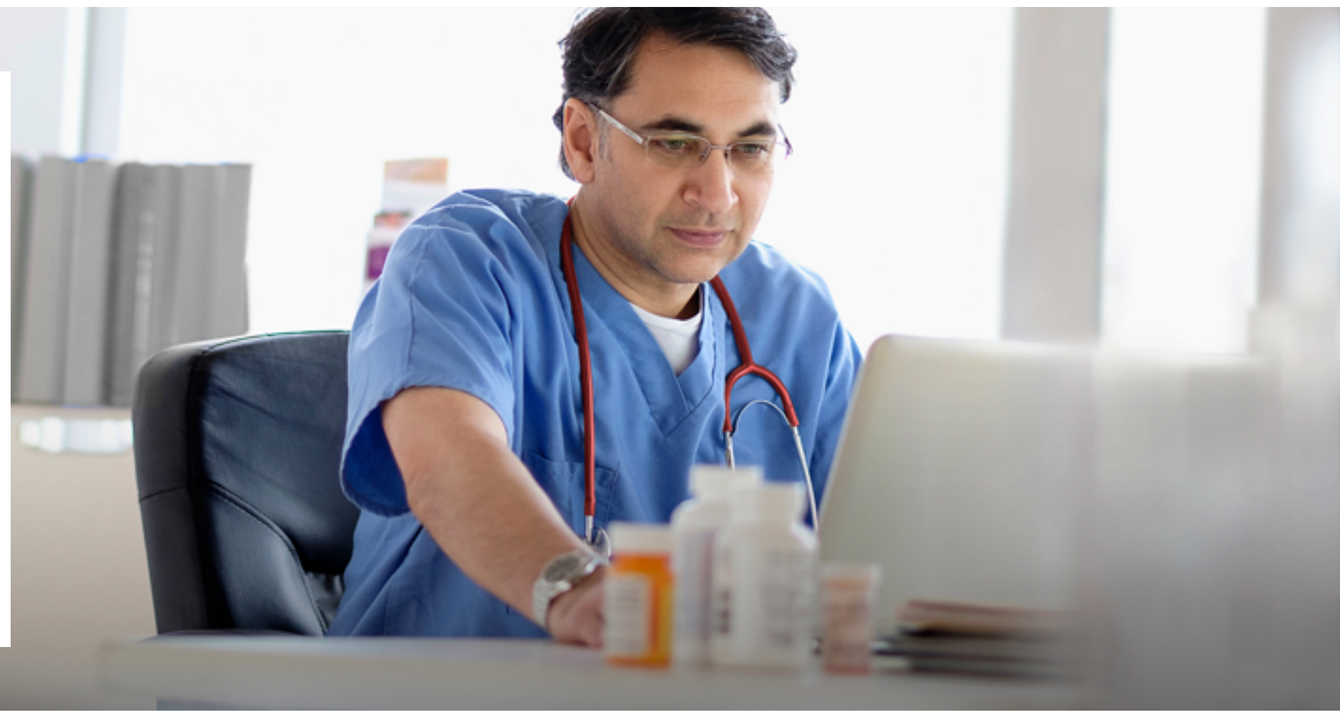

Insights / Cost Management

Utilization Management for a Changing Specialty Landscape

Ongoing Enhancements Help Clients Control Costs

BRIEFING
July 28, 2020
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Product Development,
CVS Health

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In the wake of COVID-19, many clients may be looking for more ways to effectively eliminate wasteful spend, contain costs and effectively manage specialty — the fastest growing area of pharmacy spend. In 2019, utilization accounted for 80 percent of the overall 9.3 percent trend for commercial clients. Our specialty guideline management (SGM) program helps promote patient safety and ensure cost-effective and appropriate coverage of specialty medications. While utilization increases can mean better patient adherence, which helps avoid downstream medical costs, careful management to ensure appropriateness is key to lowering costs.

Enhancing SGM Criteria, Processes to Stay Ahead of Market Trends

Our foundational SGM criteria includes critical cost management components such as comprehensive clinical assessments, a generic-first approach, step therapy requirements, and day-one utilization management (UM) review to ensure coverage is in line with clinical guidelines. In 2019, clients who implemented our SGM criteria saved an average of 8 percent in managed classes. In addition, those who adopted two or more management programs saw a trend of 8.9 percent compared to those who did not implement management strategies.

We also continue to transform SGM to generate greater efficiencies and tighter control — enhancing clinically appropriate interventions.

Criteria Updates

- ✔ Significant increase in required documentation for relevant therapeutic classes
- ✔ Duration of approval reduced to 12 months in key classes, including autoimmune (AI) and multiple sclerosis (MS)
- ✔ Efficacy assessment now required for 85 percent of renewals
- ✔ Added indication- and weight-based quantity limit (QL) at the time of prior authorization (PA) to prospectively prevent inappropriate dose escalation for certain therapy classes such as AI

Process Enhancements

- ✔ Medical director review for added clinical oversight prior to approval or denial for select therapeutic categories
- ✔ Retrospective clinician review to ensure clinically appropriate coverage for highly complex regimen cases

Evolving Our Strategies to Meet the Demands of a Rapidly Changing Market

Ongoing enhancements to foundational criteria

Stringent criteria and process updates to move beyond traditional UM

Pre-2018
- Generics first
- Day-one UM control
- Step therapy
- Clinical assessments
- Enhanced rheumatoid arthritis (RA) criteria

2018
Enhanced criteria in four high-cost SGM programs including:
- Dupixent
- Hereditary angioedema (HAE)
- PCSK9 inhibitor
- Soliris

2019
- Updates to criteria including required documentation and shortened duration of approval
- Medical director review
- Advanced utilization oversight

Connected UM strategies helped save clients

$2.8B

in 2019

Case Study: Preventing Inappropriate Dose Escalation for Stelara

Clinical guidelines from the U.S. Food and Drug Administration (FDA) recommend indication- and weight-based dosing for Stelara. Our monitoring and analysis revealed that 39 percent of Stelara utilizers may exceed the condition-specific FDA-recommended dosage, demonstrating that an extra level of control was needed. Our SGM criteria now includes a QL at the time of PA approval to prevent inappropriate dosing and dose escalations. Based on the results of the Stelara QL, we are also evaluating the approach for additional treatments such as Humira.

Next Generation UM

We continue to develop enhancements to our SGM program that deliver even tighter spend controls. Next Generation UM strategies being implemented this year incorporate advanced analytics, improved digital outreach, and increased clinical support.

Supply Management Optimization

Supply management optimization utilizes our digital infrastructure and smart technology to advanced analytics and tailored plan member outreach to encourage them to better manage oversupply. We work to reduce waste and oversupply during the refill process through conversations with members about how much supply they have. We will now incorporate artificial intelligence to more efficiently manage optimal adherence using a one-year lookback versus the month-to-month industry standard. We conducted a yearlong outreach pilot for MS patients to help reduce oversupply.

As part of the pilot:

- We monitored member supply utilizing ongoing evaluation to ensure less than 30-day excess medication
- Engaged members telephonically and will engage members using their preferred channel, whether digitally or telephonically, for seamless experience
- Enhanced patient support with one-on-one pharmacist consultation
- Helped impact member behavior, without requiring a benefit change, to drive better outcomes, reduce waste

Pilot Results[1]

55%
of targeted* MS patients contacted via phone** confirmed they had extra medication on hand

52%
scheduled with a preferred refill date to ensure appropriate supply on hand

Based on the success of this telephonic pilot, we are now expanding the program to other therapies such as hepatitis C, growth hormone, inflammatory bowel disease, oncology, osteoporosis, psoriasis, and RA. In addition, we have expanded to other channels, including digital, because members want to engage with us digitally.

80%
of eligible CVS Specialty patients are enrolled in our secure messaging program, which has demonstrated improvements in optimal adherence.

Earlier Intervention, High-Touch Clinical Support

Earlier intervention using proactive identification of disease states helps increase adherence in pilot programs. We are proactively identifying members earlier in their condition and providing high-touch nurse support, helping keep them on oral therapy, and delaying disease progression and the need for a specialty drug. For instance, members with RA typically begin treatment with a disease-modifying anti-rheumatic drug (DMARD). Non-adherence to the treatment regimen can cause disease progression and result in the members moving to a high-cost specialty medication. Our nurses make outbound calls to engage members when they are first diagnosed, helping them to understand the disease process, manage side effects, and stay adherent. Early and repeated connections help closely monitor outcomes and allow interventions to delay progression, and the need for expensive biologic medications.

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Cost Management

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Our connected UM strategies help create cost-effective, safe, and clinically appropriate coverage of specialty medications. Our comprehensive internal and external clinical criteria reviews help ensure the program is clinically appropriate and supported by medical evidence. Ongoing enhancements create more value for clients and members.

Our top priority is to manage spend and trend through continual improvements to our SGM program, with its pipeline of enhancements, to enable better cost control while optimizing member experience and outcomes.

Want more information on how our Next Generation UM strategies can help you control costs? Ask Us

THIS INSIGHT ADDRESSES:

Utilization Management | Care Management | Innovation | Specialty Cost | Drug Trend

Related Insights

2019 Drug Trend Report

Digital Tools, Nurse-led Care Improve Outcomes

Solutions to Mitigate the Cost of Gene Therapies

1. CVS Health Analytics, 2019.

*Data collection from telephonic outreach to targeted CVS Specialty patients with more than 14-day supply on-hand.

**26 percent contact rate with targeted patients. Pilot conducted 6/24/19 to 11/30/19. Actual results may vary depending on benefit plan design, member demographics, programs implemented by the plan, and other factors.

Data source, unless noted otherwise, CVS Health Enterprise Analytics, 2020.

Adherence results may vary based upon a variety of factors such as plan design, demographics and programs adopted by the plan. Client-specific modeling available upon request.

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