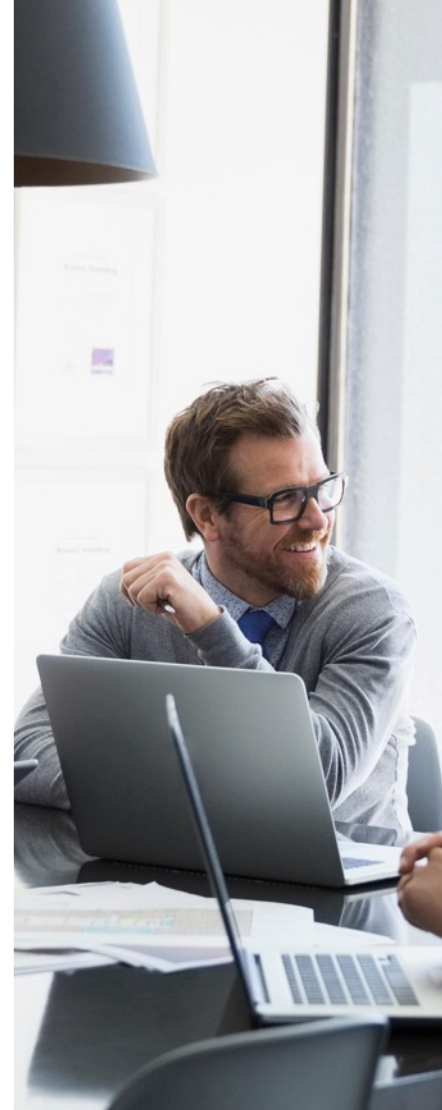




Insights on How to Manage Pharmacy Trend

LVBCH Broker Webinar || October 20, 2020

Prepared for



WellDyne Presenters



Nick Page
Chief Pharmacy Officer

Joining WellDyne as Vice President of Clinical Services in 2012, Nick Page was later promoted to Vice President, Specialty Pharmacy and now serves as the company's Chief Pharmacy Officer. With an extensive background in pharmacy operations and

clinical pharmacy management, Nick has built a solid track record in strategic planning, business unit development, and innovative program and product development. In his current role he oversees all aspects of clinical strategy for the company, including product development, formulary management, trend analysis and clinical program execution.

In previous roles, Nick held executive-level clinical leadership positions at MedImpact, PMSI (an Amerisource Bergen company), PBM Plus (an Omnicare company) and OhioHealth. He holds a Bachelor's of Science degree in Pharmacy and earned his PharmD from The Ohio State University. Nick has also completed a post-doctoral ambulatory care residency at The Ohio State University.



Patty Taddei-Allen
Sr. Director, Clinical Analytics

Patty Taddei-Allen is responsible for the WellDyne clinical value proposition and clinical programs for the company's PBM and specialty pharmacies. She oversees outcomes research and the residency program.

In 2013, Patty joined WellDyne as a Clinical Pharmacist. Progressing through management roles in clinical operations and outcomes research, she was named to her present position in 2019. Patty also lectures as a Clinical Assistant Professor at the University of Florida-College of Pharmacy and Adjunct Faculty Instructor at Lake Erie College of Osteopathic Medicine. Previously, she practiced community pharmacy at CVS Health.

Patty serves on the Editorial Advisory Board of the Journal of Managed Care and Specialty Pharmacy (JMCP) and is a peer-reviewer for JMCP. She is a voting member of the Pharmacy Health Information Technology (HIT) Collaborative Value Set Committee and serves on the Board of Pharmacy Specialties Specialty Council on Pediatric Pharmacy.

Patty received her Bachelor's degree from the University of South Florida, and her Doctor of Pharmacy and MBA from the University of Florida. She is dual board-certified as an Ambulatory Care Pharmacist (BCACP) and Geriatric Pharmacist (BCGP).

Agenda

1. Better Cost
2. Better Engagement
3. Better Care
4. Clinical Review
5. Future Trends

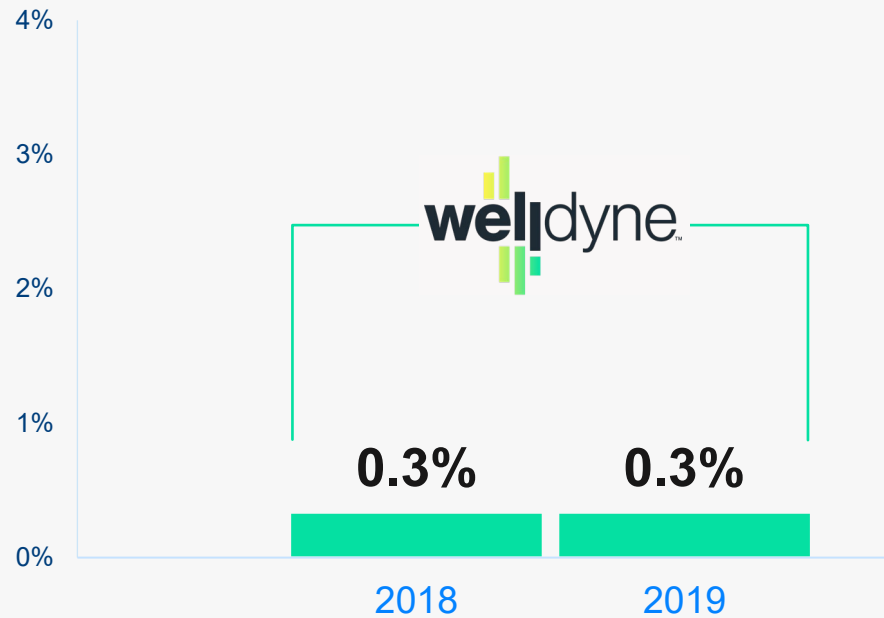


Better Cost

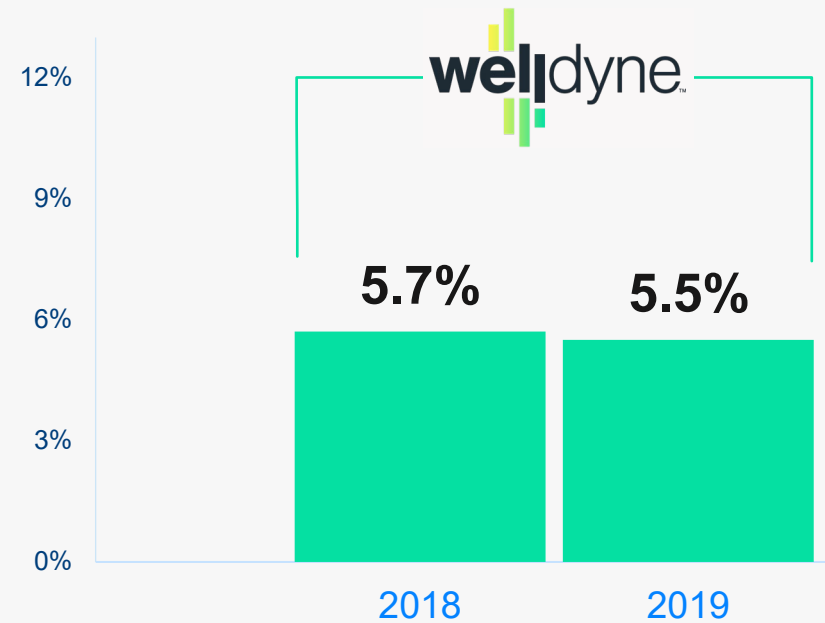


Consistent success managing drug trend

Overall Trend



Specialty Trend



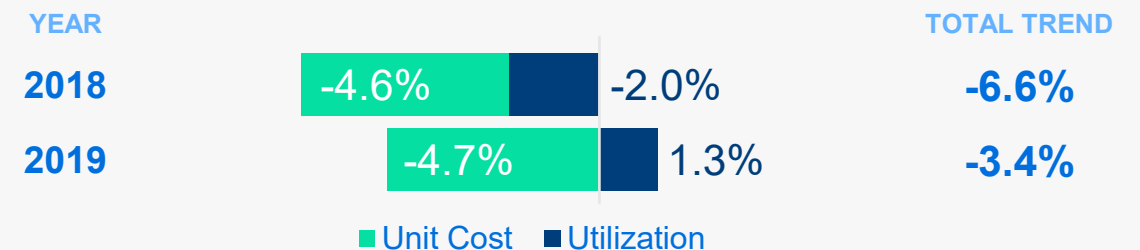
Specialty Vs. Traditional Drug Spend

- Increases in trend are due to increases in utilization, not unit cost
- Specialty continues to be the main driver of overall spend
- Decreases in Traditional drug were due to new generics
 - Pregabalin (Lyrica)
 - Tadalafil (Cialis)

WellDyne Specialty Drug Trend
2018 vs. 2019



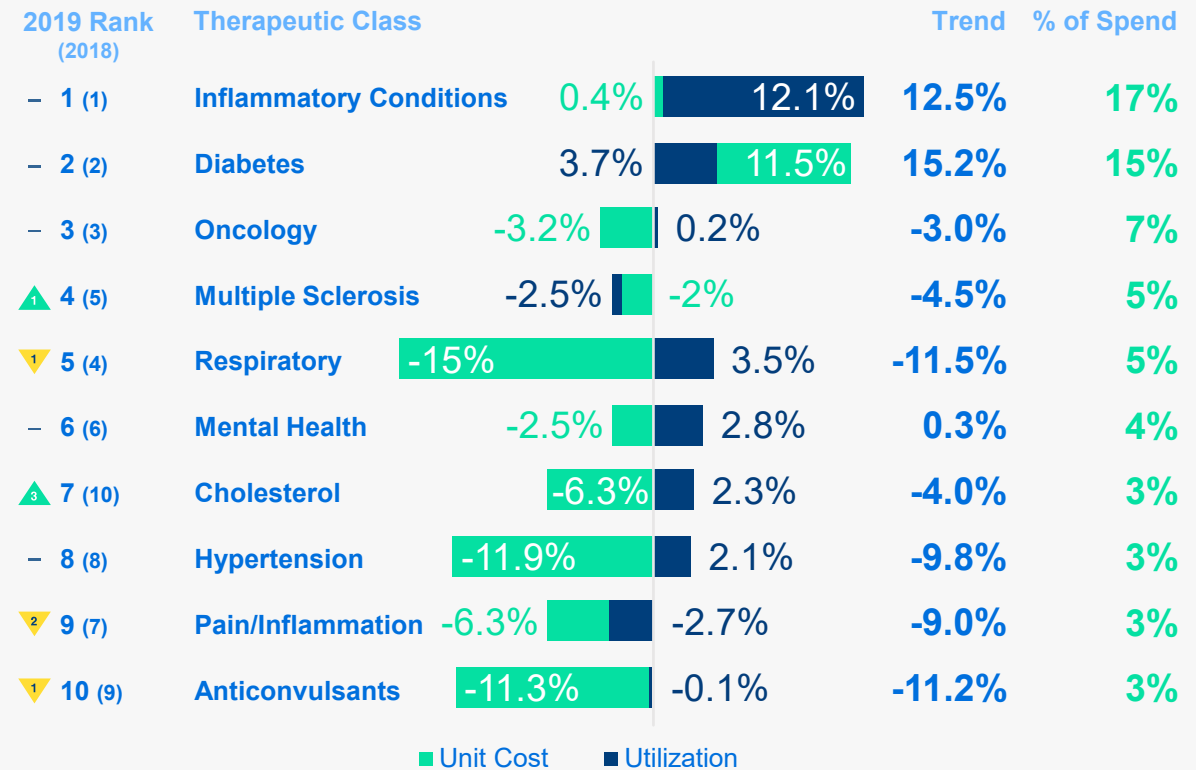
WellDyne Traditional Drug Trend
2018 vs. 2019



Top Therapeutic Categories: By Spend

- Inflammatory Conditions include
 - Rheumatoid Arthritis
 - Psoriasis
 - Crohn's Disease
 - Ulcerative Colitis
- Negative trend in MS driven by
 - Increased use of generic Copaxone
 - Patients likely switching to IV Ocrevus

2019 Top Ten Therapeutic Classes SPECIALTY AND TRADITIONAL COMBINED



WellDyne Formulary and Utilization Management

- Clinical Focus Formulary
 - Targeted exclusions with Indication-based formularies for specialty disease
- WellManaged-Generics
 - Targeted use of first-line generics in therapeutic categories, such as hypertension and cholesterol
- Hyperinflationary Drug Program
 - Eliminates waste of healthcare dollars for medications that are egregiously overpriced with no additional clinical benefit

6%

lower PMPY with
exclusion-based formulary

11%

lower PMPM with
WellManaged Generics

80%

decrease in HI drug spend with
Hyperinflationary Drug Program



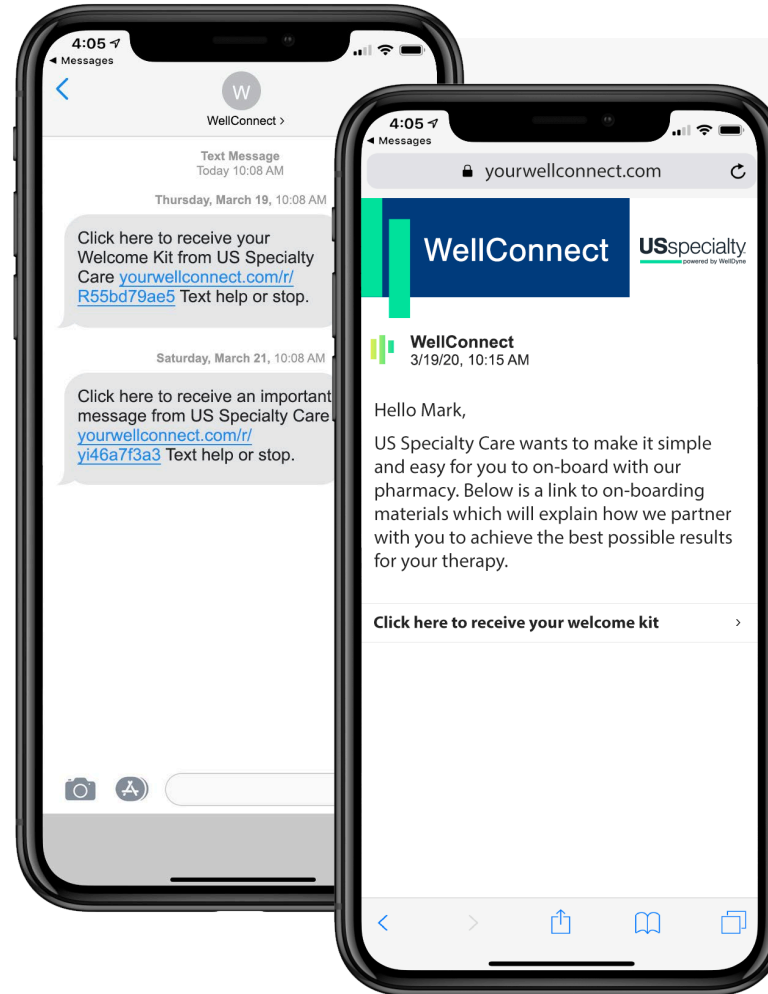
Better Engagement



Personalized, high-tech member engagement

WellConnect turns text messages into positive actions

- Uses the communication method most consumers prefer
- Promotes member savings, better health outcomes and increased satisfaction
- Provides personalized, timely, secure and actionable updates regarding:
 - Education
 - Cost savings
 - Adherence support
 - Tips and reminders



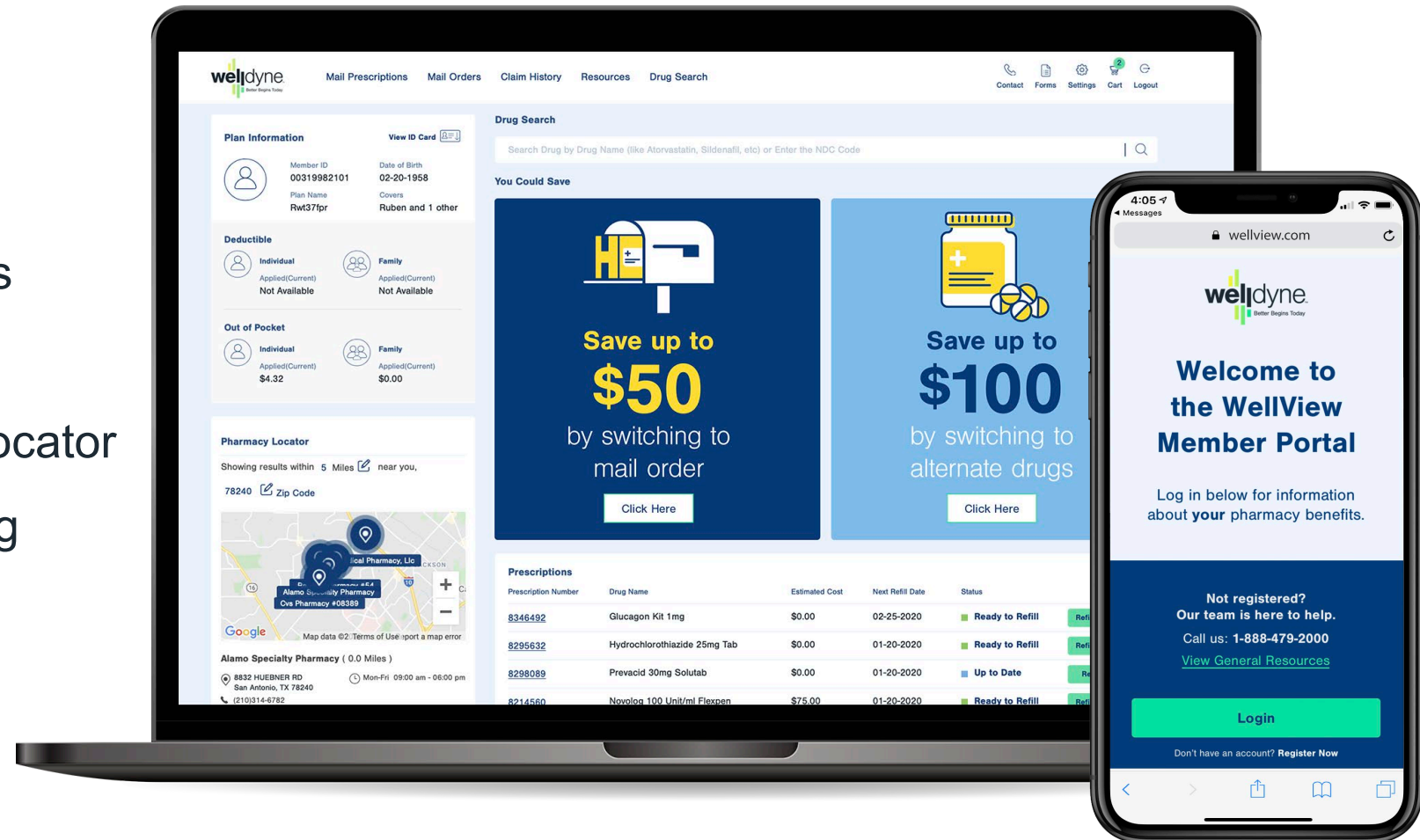
>50%
Patient education
messages viewed

48%
Actions taken
on savings
opportunities

Self-service technology for members

WellView member portal and mobile app

- Drug pricing transparency
- Real-time savings opportunities
- Full mail order support
- Digital ID card and pharmacy locator
- Deductible and OOP monitoring
- Manage family prescriptions
- Drug resource library
- Formulary integration





Better Care



Our goal: Well-controlled, adherent members

New Therapy Starts

Controlled Members

At-Risk Members



New Therapy Prescription



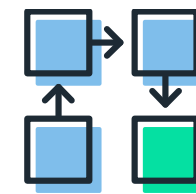
Onboarding Complex Care Patients



Access to Clinicians



Adherence Monitoring



Clinical Protocols/
Therapy Change



High-Risk
Members Care
Management

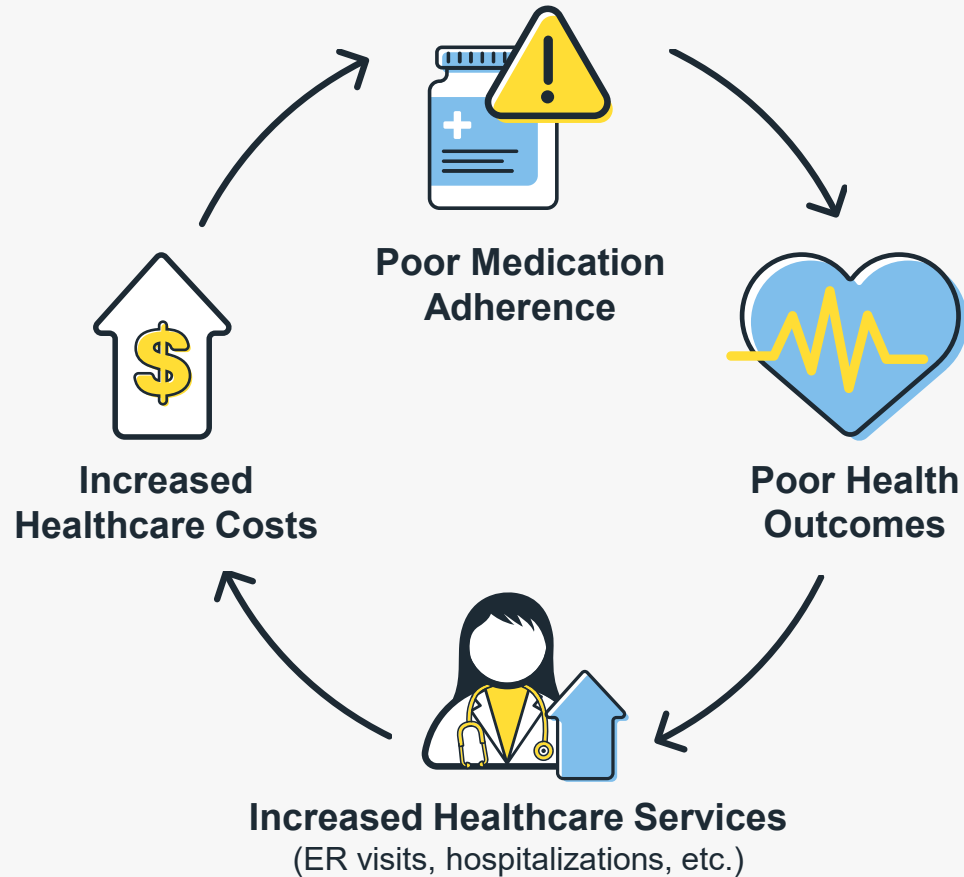


Quality
Indicators



Positive
Outcomes

The costs of medication non-adherence



125K+

Deaths occur annually
(Non-adherence is the 4th leading
cause of death in the U.S.)

\$600B+

From non-adherence
and non-optimized drug
therapy per year

20-30%

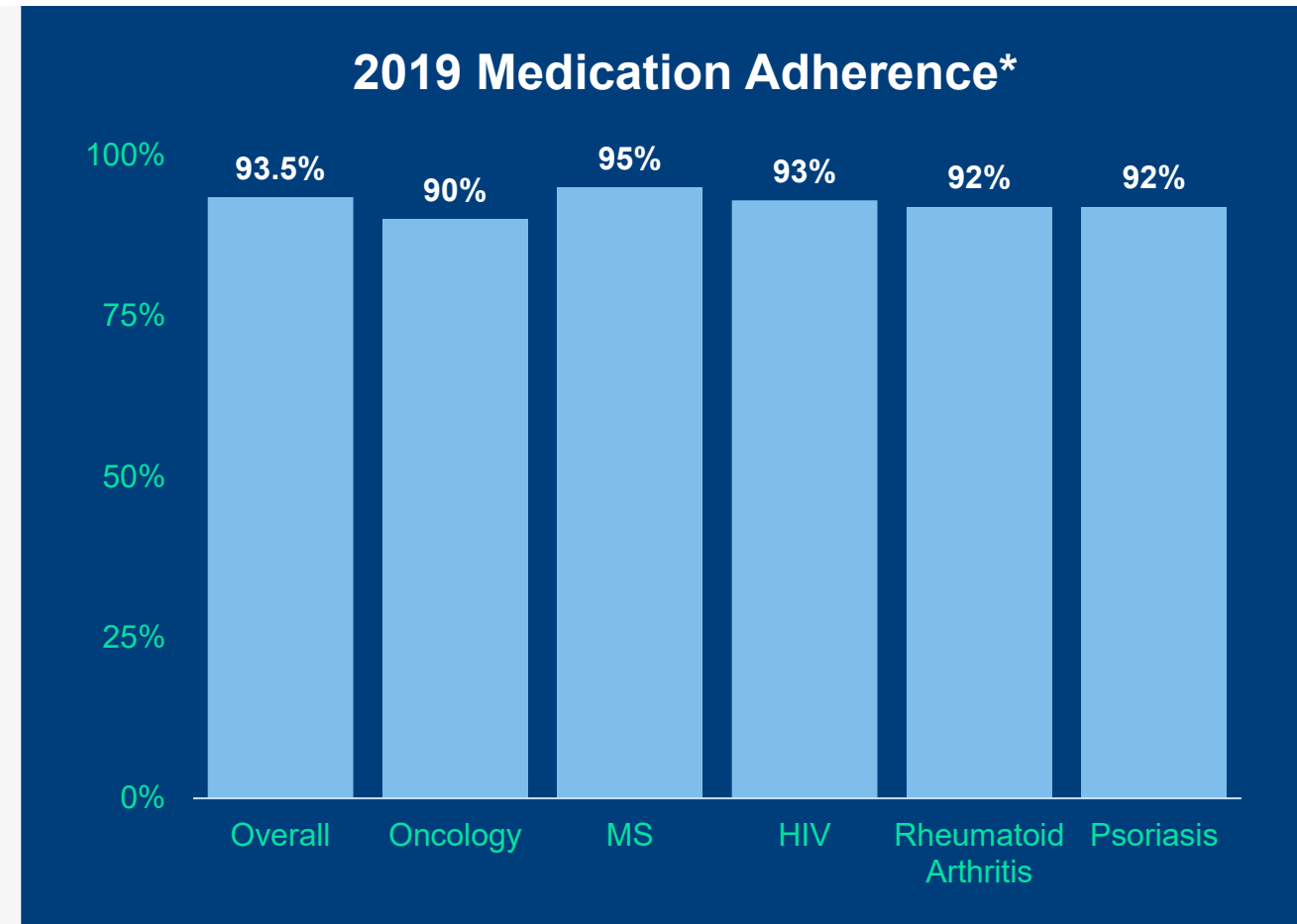
Of medications are
never filled

50%

Of medications are
not taken as prescribed

Achieving exceptional medication adherence

- Targeted approach using high-touch and high-tech services
- Educate patients about their dosing schedule and potential side-effects
- Personalized coaching to develop a consistent medication-taking habit
- Digital tools that allow quick and easy medication refills



*Percent of patients adherent to treatment

Better Care Means...Optimized Medication Therapy

WellManaged Respiratory Program

- Our respiratory pharmacist scheduled a patient counseling session with a 57-year old female using multiple inhalers for COPD
- After review of her medical history and active medications, the pharmacist recommended using a formulary product that combined both medications into one inhaler
- Patient's prescription changed, eliminating one inhaler and potential barriers to adherence



Improved adherence with simpler treatment and fewer doses to remember



Improved the ease of use with only one type of inhaler to learn and manager



Saved money by eliminating the monthly cost – to the patient and the plan – for the second inhaler



Clinical Review



Top Drugs By Spend

- Humira continues to be the top drug used
- Cosentyx moved up 9 spots from previous year
- Eliquis experienced one of the biggest jumps

2019 (2018)	TOP DRUGS	CATEGORY
1 (1)	Humira Pen	Inflammatory Conditions
2 (3)	Stelara	Inflammatory Conditions
3 (5)	Trulicity	Diabetes
4 (2)	Enbrel Sureclick	Inflammatory Conditions
5 (8)	Jardiance	Diabetes
6 (4)	Tecfidera	Multiple Sclerosis
7 (16)	Cosentyx	Inflammatory Conditions
8 (6)	Januvia	Diabetes
9 (19)	Eliquis	Anticoagulant
10 (11)	Revlimid	Oncology

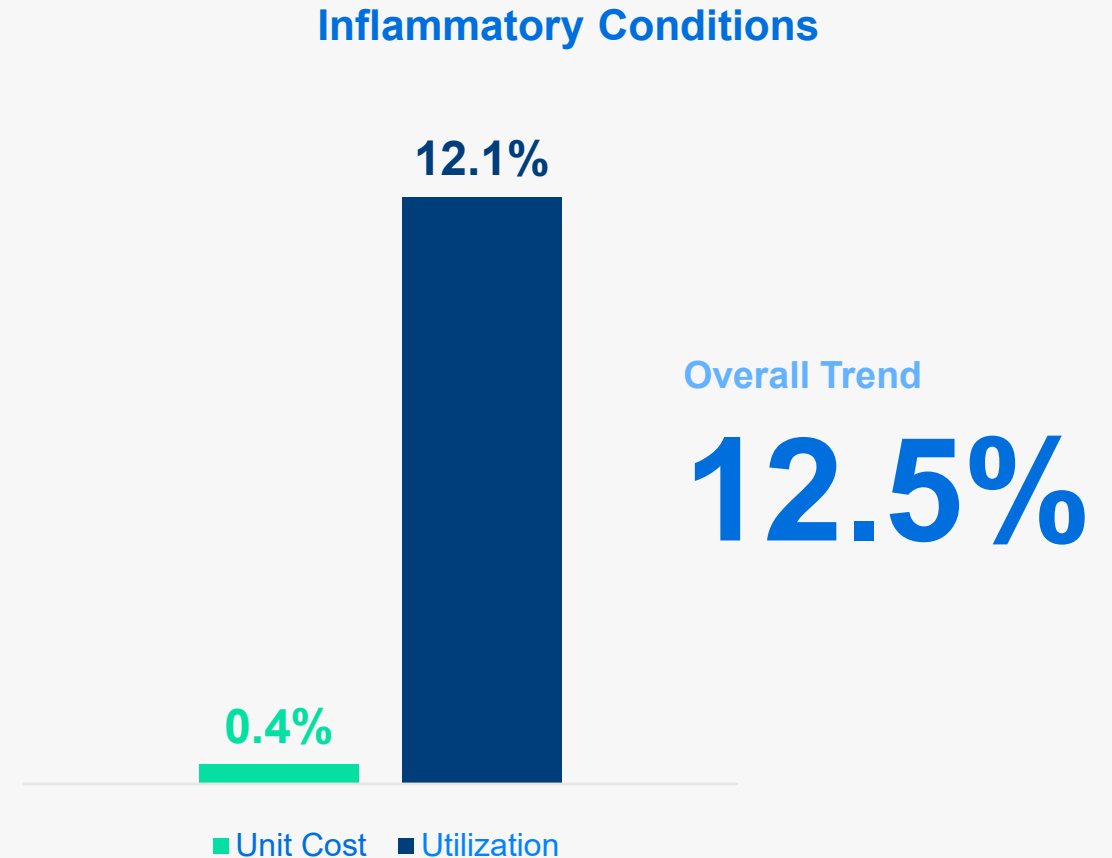
Top Drugs By Utilization

- Atorvastatin remains top utilized medication
- Omeprazole jumped 9 spots in utilization
 - Likely due to shift away from more expensive agents like Dexilant
- Most drugs are used in hypertension, since patients typically need multiple drugs to manage that disease state

2019 (2018)	TOP DRUGS	CATEGORY
1 (1)	Atorvastatin	Cholesterol
2 (3)	Levothyroxine	Thyroid
3 (5)	Lisinopril	Hypertension
4 (2)	Amlodipine	Hypertension
5 (8)	Losartan	Hypertension
6 (4)	Metformin	Diabetes
7 (16)	Omeprazole	Heartburn/ulcer
8 (6)	Montelukast	Respiratory
9 (19)	Metoprolol Succinate ER	Hypertension
10 (11)	HCTZ	Hypertension

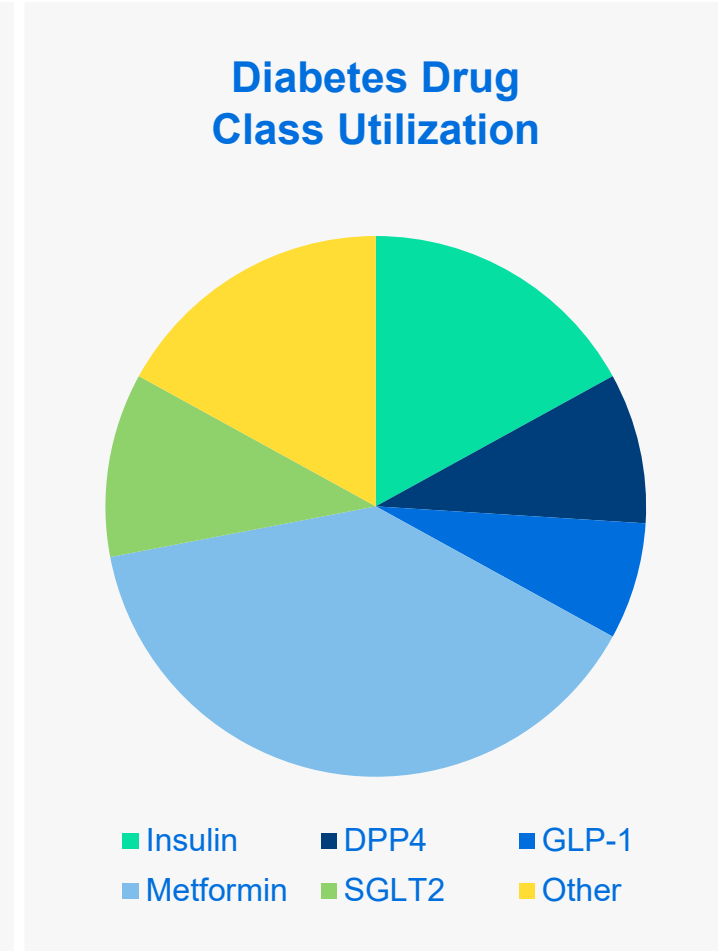
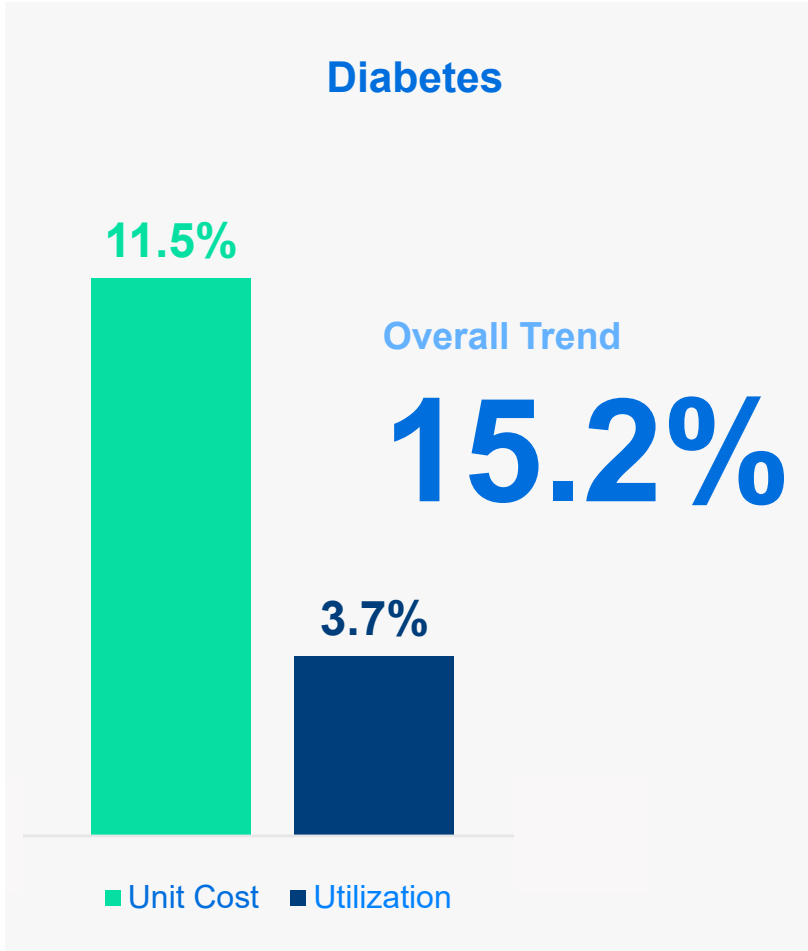
Inflammatory Conditions

- 12.5% trend driven almost entirely by increased utilization
- Unit cost remained relatively flat
- New therapies used to treat psoriasis and rheumatoid arthritis
 - Skyrizi
 - Rinvoq
- Increases in drugs used to treat psoriasis
 - Cosentyx
 - Tremfya
 - Taltz



Analysis of utilization patterns for diabetes

- Insulin and DPP4 utilization decreased
- GLP1 and SGLT2 utilization increased
 - Trulicity and Jardiance utilization increased, while Januvia utilization decreased
 - Lantus no longer one of top 5 drugs utilized



WellManaged Diabetes: program results

- Diabetes will continue to be a trend driver into the future
- 34 Million Americans have DM
 - Only 80% know they have DM
- Program is multi-faceted
 - Includes CDC Recognized National Diabetes Prevention Program element

Results

3.5%

lower diabetes trend
with WellManaged
Diabetes program

0.2%

trend for one of our
largest WellManaged
Diabetes clients



Future Trends



Future Trends: Keeping Watch on the Industry

- Digital therapeutics
- Gene therapies
- Biosimilars
- HIV – Pre-Exposure Prophylaxis (PrEP) Therapy

WellDyne is closely monitoring gene therapies in phase II and phase III clinical trials for treatment of Duchenne muscular dystrophy, lysosomal storage disorder MPSIII, and other rare genetic diseases.

Future Trends: FDA Pipeline Highlights

- Ocaliva
- ITCA 650 (Exenatide) for diabetes
- Inclisiran for cholesterol
- Viaskin for peanut allergy
- GLPG0634 (Filbotinib) for rheumatoid arthritis

If approved, Viaskin would be the first patch (with allergan) for peanut allergy desensitization in children.

We focus on specialty pharmacy and chronic disease

**Engage Patients
& Physicians**



**High-Value
Disruption**



**Low Net Cost
Strategy**





Summary and Questions



Download our full 2020 Trend Report
welldyne.com/our-drug-trend-report



Thank you!