#### **VPS Rx Carve-out Case Study**

# Large Group

# Home Appliance Manufacturer 11,900+ employees

# **ISSUE**

- Rising Rx costs
- Increased usage of brand name and specialty drugs

### **STRATEGY**

- Performed Rx discount/rebate analysis through VPS Rx Coalition
- Evaluate best PBM option
- Proposed contract savings = \$804K
- Review benefit design to optimize clinical services, generic & mail order usage
- Proposed clinical savings = \$722K
- Proposed total savings = \$1.53M

#### **OUTCOMES**

- Transitioned from direct PBM contract to coalition via CVS/Caremark eff. 1/1/2018
- 2018 contract savings = \$845K
- Implemented Specialty Copay Assistance and Individual Medication Management programs.
- 2018 clinical savings = \$985K
- 2018 total savings = \$1.83M



## **Case Study Client Recommendations:**

**VPS** 

Total Lives	4,614
Old gross cost less rebates	\$4,795,959
New gross cost less rebates	\$3,997,481
Yr-1 Contract savings	\$798,477
Yr-1 Clinical Program savings	\$314,915
Total savings with SCAP & IMM	\$1,113,392
% savings with clinical programs	23%