VPS Rx Carve-out Case Study

Large Group

Automotive Retailer 9,800+ 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 = \$1.69M
- Review benefit design to optimize clinical services, generic & mail order usage
- Proposed clinical savings = \$619K
- Proposed total savings = \$2.31M

OUTCOMES

- Implemented Rx Carve-out via CVS/Caremark
- 1st Year contract savings = \$1.91M
- Implemented Specialty Copay
 Assistance and Individual Medication
 Management programs.
- 1st Year clinical savings = \$639K
- 1st Year total savings = \$2.55M



Case Study Client Recommendations:

Retail/Wholesale

| Total Lives | 9,849 |
|----------------------------------|--------------|
| Old gross cost less rebates | \$10,874,775 |
| New gross cost less rebates | \$8,965,222 |
| Yr-1 Contract savings | \$1,909,553 |
| Yr-1 Clinical Program savings | \$639,042 |
| Total savings with SCAP & IMM | \$2,548,595 |
| % savings with clinical programs | 23% |