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RECENT EVENTS

Rapidly Changing Pharmacy Benefits: A Lehigh Valley Case Study (March 30, 2021)

A slate of health care experts provided member employers with an update on pharmacy benefits, offered tips for negotiating favorable contracts and discussed pending legislation to improve transparency. The discussions occurred during a March 30th webinar hosted by LVBCH.

“The webinar was part of the Coalition’s continuing effort to provide high quality educational discussions to our membership,” said LVBCH President Carl Seitz. “To quote one of the presenters, the program ‘shined a light into the darkness’ of the pharmacy marketplace.”

Scott Fair, Vice President, Benefits Consulting, USI Insurance Services, opened the webinar presenting audit findings of a local employer and the importance of control over the prescription drug benefit. The case was recently featured in a Modern Healthcare article “Pennsylvania Auditor Claims Pharmacy Benefit Manager Hiked Drug Prices by \$1.6 Million”.

Anne Ladd, Director of Purchaser Innovation, Pacific Business Group on Health, provided an overview of the current landscape related to pharmacy benefits management business, and presented it as a powerful \$3.5 trillion industry rigged against employers. She explained that payments are based on the maximum allowable charges (MAC) list, however, PBMs often have different lists for pharmacies and for plan sponsors. An example of one prescription had a pharmacy price of \$12 and a plan sponsor price of \$200. The difference, or spread, of \$188 is kept by the PBM. Employers are advised to review both lists.

Rob Berger, Pharmacy Benefits Consultant, USI Insurance, focused on carving out the pharmacy benefit. Medication coverage, the most used employee benefit is often part of an employer’s medical benefit. However, carving out or separating the pharmacy benefit gives the employer more control. LVBCH self-funding options with Capital BlueCross and AmeriHealth Administrators, and PBM offerings through Express Scripts and WellDyne support this. Carving out this benefit also helps ensure employers have access to their pharmacy data.

John Adler, President, ELMC Rx Solutions, discussed PBM Contracting. He stressed the importance of the terms, conditions, and definitions when contracting with PBMs. He suggested an audit protocol addendum of what the employer can access and limits on autofills for certain medications and supplies, such as diabetic test strips.

Colleen Bruce, Policy Advisor, National Alliance of Healthcare Purchaser Coalitions, reviewed the Consolidated Appropriations Act of 2021. This included updates related to the “No Surprises” act, transparency provisions, and COVID-19 related funding.

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ABOUT ANNE LADD



Anne Ladd is the Director of Purchaser Innovation for the Pacific Business Group on Health. She has responsibility for identifying, organizing and implementing positive disruptions to the health care delivery resulting in greater value for employers. Before joining PBGH, Anne was CEO of the Wyoming Business Coalition on Health. She also has experience in public policy and as a product manager on several healthcare related information technology projects. She started her career in healthcare with Kaiser Permanente and served as the Director of Strategic Planning for BCBS of Colorado/Nevada. Prior to that she was a reporter and writer covering politics, natural resources, and business issues. Born and raised in Wyoming, she has a degree in economics from Williams College, a Master's degree in Journalism from the Medill School of Journalism at Northwestern University, and a Master's in Healthcare Administration from St. Mary's College.

ABOUT ROB BERGER



Rob Berger is Vice President, Pharmacy Solutions at USI. Over the last 28 years, Rob has been involved in the design, distribution, and communication of employee benefits. His background includes working for several major insurers, directing benefits for a large national PEO and providing benefits administration and data management solutions to some of the country's largest food service and hospitality employers. Since joining USI in 2015, Rob has focused on helping employers solve complex employee benefits issues and manage their business and real-life needs while treating their balance sheet as if it is his own. His areas of expertise include pharmacy, benefits technology, creative funding and PPACA. Rob studied Mechanical Engineering at The State University of New York at Stony Brook. He currently serves as Immediate Past President of the Central Pennsylvania Association of Health Underwriters.

ABOUT JOHN ADLER



John has 22 years of experience in pharmacy benefit management working for PBMs, audit & analytics firms, and consulting firms. He established his current company seven years ago and became part of the ELMC group in 2017. He is currently a consultant for Taft Hartley Funds including the Delaware Valley Health Care Coalition (DVHCC), BCBS health plans, business coalitions, TPAs, insurance captives, and individual public and private sector plans. In his role as a PBM RFP, contract, and risk management expert, John has been invited to speak at national conferences for the International Federation of Employee Benefit Plans (IFEBP), Self-Insurance Institute of America (SIIA), the American Federation of Teachers (AFT), and the Society of Professional Benefit Administrators (SPBA).

ABOUT COLLEEN BRUCE



Colleen Bruce is an experienced health care policy expert, with extensive knowledge of the Affordable Care Act of 2010, federal health care program payment policy, and employer-sponsored health insurance. She has specialized knowledge of value-based purchasing policy and strategies, both from the health plan and employer perspectives, as well as the federal government, including issues related to provider performance measurement and innovative payment reforms. Previously, she was responsible for leading the development of strategic focus and integration of value-based purchasing and policy, with a special focus on helping employer coalitions and their members understand the Affordable Care Act's implications for employer-sponsored health care, including financial implications imposed by requirements in the Act, and policy-related decisions employers faced.

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