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GUEST ARTICLE: KEENAN PHARMACY CLINICAL MANAGEMENT



PHARMACY CLINICAL MANAGEMENT – AN INNOVATIVE SOLUTION

Self-funded employer groups who sponsor a pharmacy benefit program for their employees and dependents are facing a stark reality; prescription drug costs are rising at a rapid pace where the average employer is seeing 1-2% of their covered members incurring 50% or more of their total drug spend. Employers and their employee benefits consultants do a good job negotiating higher discounts and rebates with PBMs, but that doesn't combat the escalating costs incurred mostly by members utilizing high-cost specialty medications.

For more than 15 years, Keenan Pharmacy Services (KPS) has been on the leading edge of developing innovative solutions to help self-funded employer groups save money on their prescription drug plan. We believe it is critical to manage medications at the "patient" level to determine the lowest net cost available while ensuring members continue to receive the therapies needed to maintain their health.

For example, there are currently 1,400 high-cost generic medications on the market that have therapeutic equivalent or better alternatives that are lower in cost. PBMs don't have the incentive to always try and dispense the lowest cost option for the employer and the member. We believe that increasing providers' awareness of lower cost alternatives helps affect positive change in prescribing patterns, which ultimately saves money for plan sponsors and their members.

Most PBMs own their specialty pharmacy, they negotiate directly with pharma on the price of the drugs, earn profit from dispensing the medications and control the clinical decision for necessity. To ensure a more judicious review of high-cost specialty medications, we believe the prior authorization process should be done by an independent third party who does not have a financial stake in whether a drug gets dispensed or not. By implementing this independent process and engaging directly with the member's physician, employers can expect to save 20%-40% more on their specialty medications.

KPS has developed a program called Keenan Pharmacy Clinical Management (KPCM) that addresses the challenges of both non-specialty and specialty medication dispensing. By engaging directly with prescribers and members, our evidence-based clinical management approach ensures that the best possible drug therapies are chosen based on their clinical effectiveness and overall cost to patients and the plan. KPCM has consistently yielded savings ranging from 15% to 40% for our clients.

If you would like to hear more about the pharmacy industry dynamics or about how KPCM works, please contact Howard Mazzafro at hmazzafro@keenan.com or call 310.903.6273 for more information.

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Our affiliation with these national organizations is a value-added benefit for our members.

