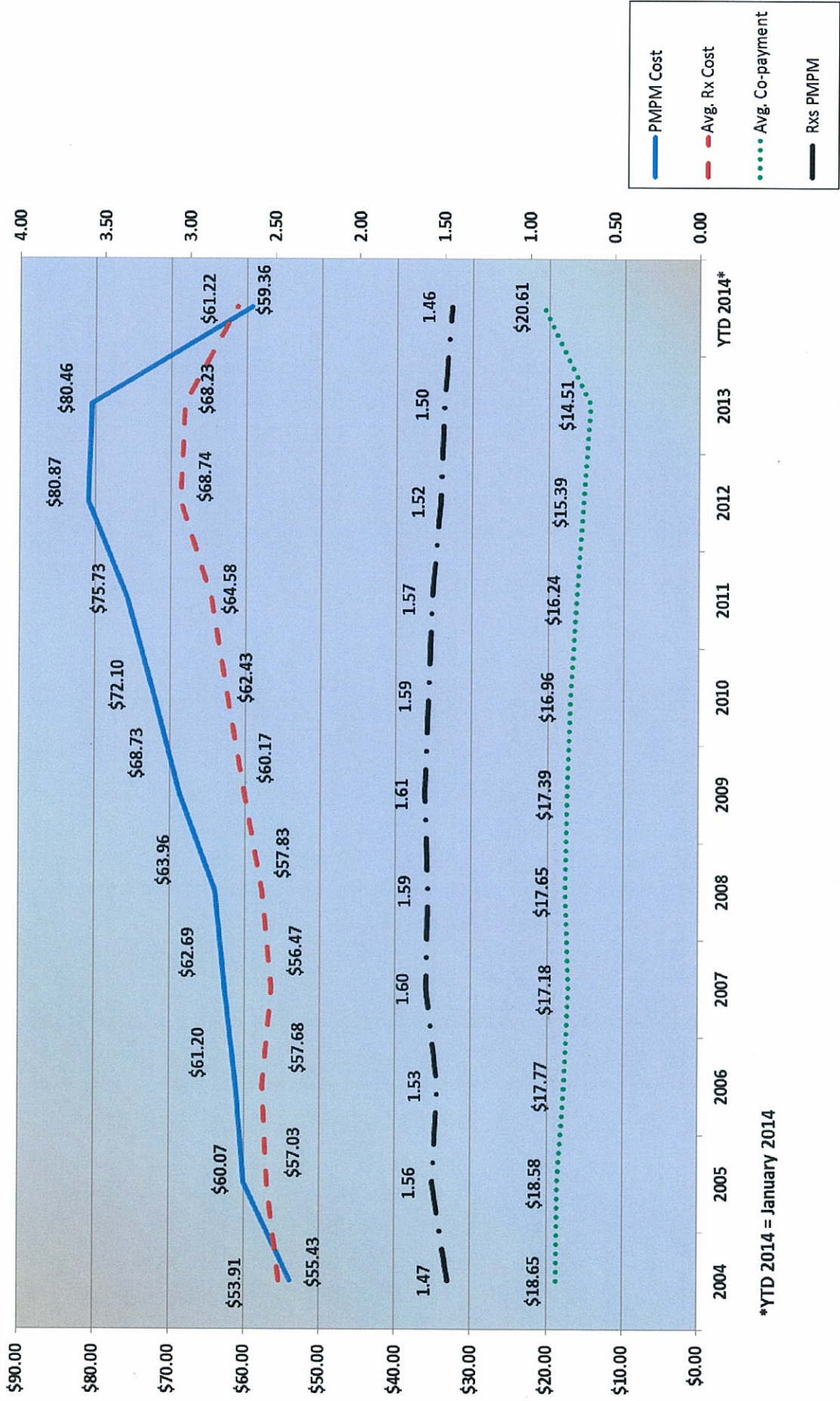


Employee Benefits Division Prescription Drug Program Overview

February 2014

Employee Benefits Division (EBD) Prescription Drug Program Trend Analysis (2004 - YTD2014*)



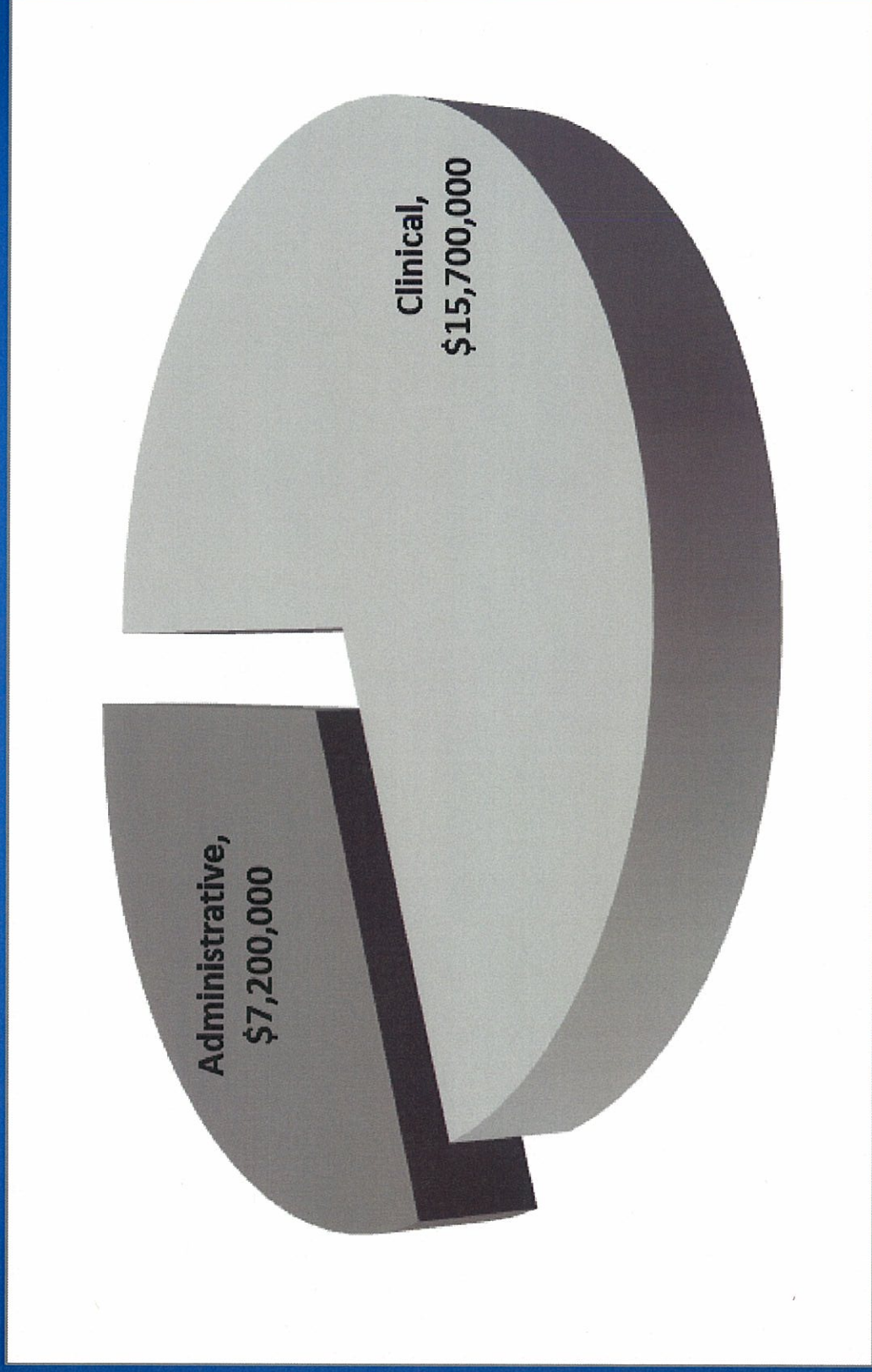
*YTD 2014 = January 2014

EBD Performance by Plan

January 2013 vs. January 2014

January 2013									
Plan	Eligibility	% of Lives	% of Claims	% of Plan Paid	Rxs / Mbr/ Month	Avg. Rx Cost	Cost PMPM		
Silver	9,485	6.3%	4.4%	4.2%	1.11	63.28	\$54.95		
Gold Med w/Rx	10,117	6.7%	18.1%	19.1%	4.26	70.04	\$236.90		
Gold Med No Rx	8,296	5.5%	0.2%	0.4%	0.07	108.33	\$6.54		
Gold Act, Ret, & COB	90,158	60.0%	69.5%	75.5%	1.84	71.04	\$104.99		
Bronze	32,206	21.4%	7.8%	0.8%	0.58	44.32	\$2.96		
Totals	150,262	100.0%	100.0%	100.0%	1.59	68.56	\$83.44		
January 2014									
Plan	Eligibility	% of Lives	% of Claims	% of Plan Paid	Rxs / Mbr/ Month	Avg. Rx Cost	Cost PMPM		
Silver	10,761	7.0%	5.9%	7.7%	1.23	70.55	\$65.94		
Gold Med w/Rx	10,782	7.0%	19.6%	23.7%	4.09	64.86	\$201.17		
Gold Med No Rx	9,690	6.3%	0.3%	0.6%	0.06	111.78	\$5.67		
Gold Act, Ret, & COB	73,401	47.6%	59.1%	65.9%	1.82	63.62	\$82.16		
Bronze	49,611	32.2%	15.1%	2.1%	0.69	42.67	\$3.90		
Totals	154,245	100.0%	100.0%	100.0%	1.46	61.22	\$59.36		

Pharmacy-Related Cost Containment Initiatives Implemented since mid-2013



Clinical Cost Containment Initiatives Implemented since mid-2013

Initiatives / Categories	Example Drugs	Projected Annual Savings
Prior Authorization		\$2,400,000
- Testosterone	Androgel, Androderm	\$1,100,000
- Compounded Rx's (>\$200)	N/A	\$1,300,000
Exclusion from Coverage		\$1,200,000
- misc. lipid-lowering drugs, misc. brand-name drugs, medical foods	Misc.	
Reference Pricing		\$12,100,000
- Antidepressants	Cymbalta	\$4,860,000
- Fibromyalgia Agents	Lyrica	\$1,180,000
- Nasal Steroids	Nasonex	\$472,000
- High Blood Pressure Agents	Diovan	\$3,400,000
- Anti-Ulcer Agents	Nexium	\$1,000,000
- Cholesterol-Reducing Agents	Crestor	\$500,000
- Over-Active Bladder Agents	Detrol LA	\$699,000
Totals		\$15,700,000

How Reference Pricing Works



Key Initiatives

- Specialty Drugs
 - 0.3% of Rx's (steady since 2004)
 - 18% of Total Plan Paid (~\$26 million in CY 2013)
 - Uncontrolled Inflation (Manufacturer's price increases)
- Oncology/Specialty sub-committee
- Closed Formulary
- Prescription Coupons

Specialty Drug Pricing History¹ Since 1/1/2011

Drug	Therapeutic Use	Total Plan Paid		Avg. Plan Paid/Rx		Since 1/1/2011	
		CY 2013		4Q2013		Number of Price Increases	Annualized % Change in Avg. Wholesale Price
Humira	Rheumatoid Diseases	\$4,368,943		\$2,956		6	13.20%
Enbrel	Rheumatoid Diseases	\$3,629,861		\$2,871		5	10.20%
Copaxone	Multiple Sclerosis	\$2,916,004		\$5,292		4	10.80%
Rebif	Multiple Sclerosis	\$841,728		\$5,242		7	23.30%
Avonex	Multiple Sclerosis	\$764,043		\$4,910		7	16.10%
Betaseron	Multiple Sclerosis	\$523,659		\$4,554		7	15.10%
Gleevec	Oncology	\$1,795,311		\$7,487		5	14.90%
Victrelis	Hepatitis C	\$398,448		\$6,289		6	17.30%
Pegasys	Hepatitis C	\$388,875		\$2,957		6	10.40%
Xyrem	Narcolepsy	\$70,578		\$7,058		6	41.00%
Subtotal		\$15,697,450					
All Specialty		\$25,904,644					

¹ – Pricing Source: Medispan Master Drug Database – Wolters Kluwer Health 2014