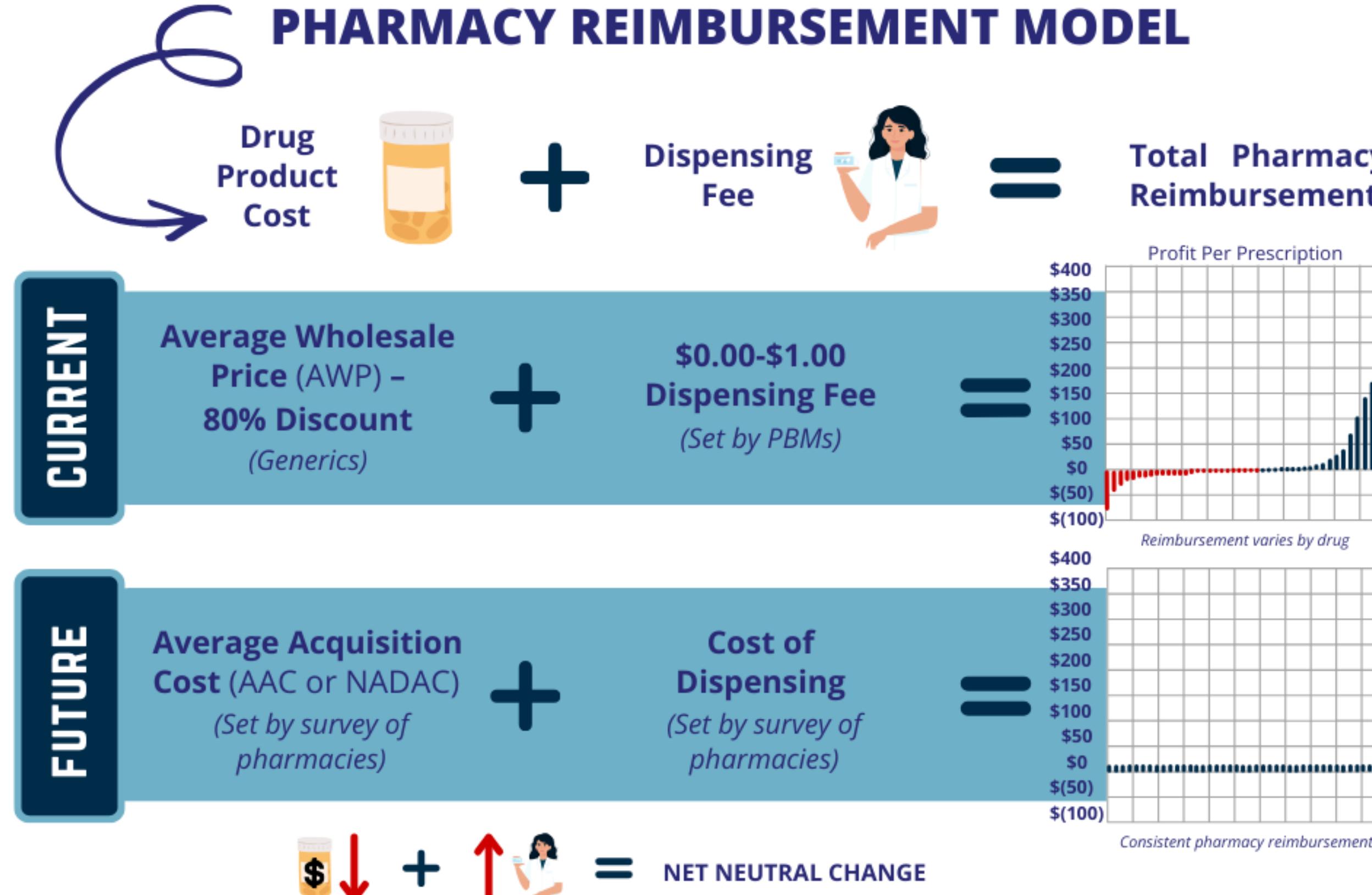


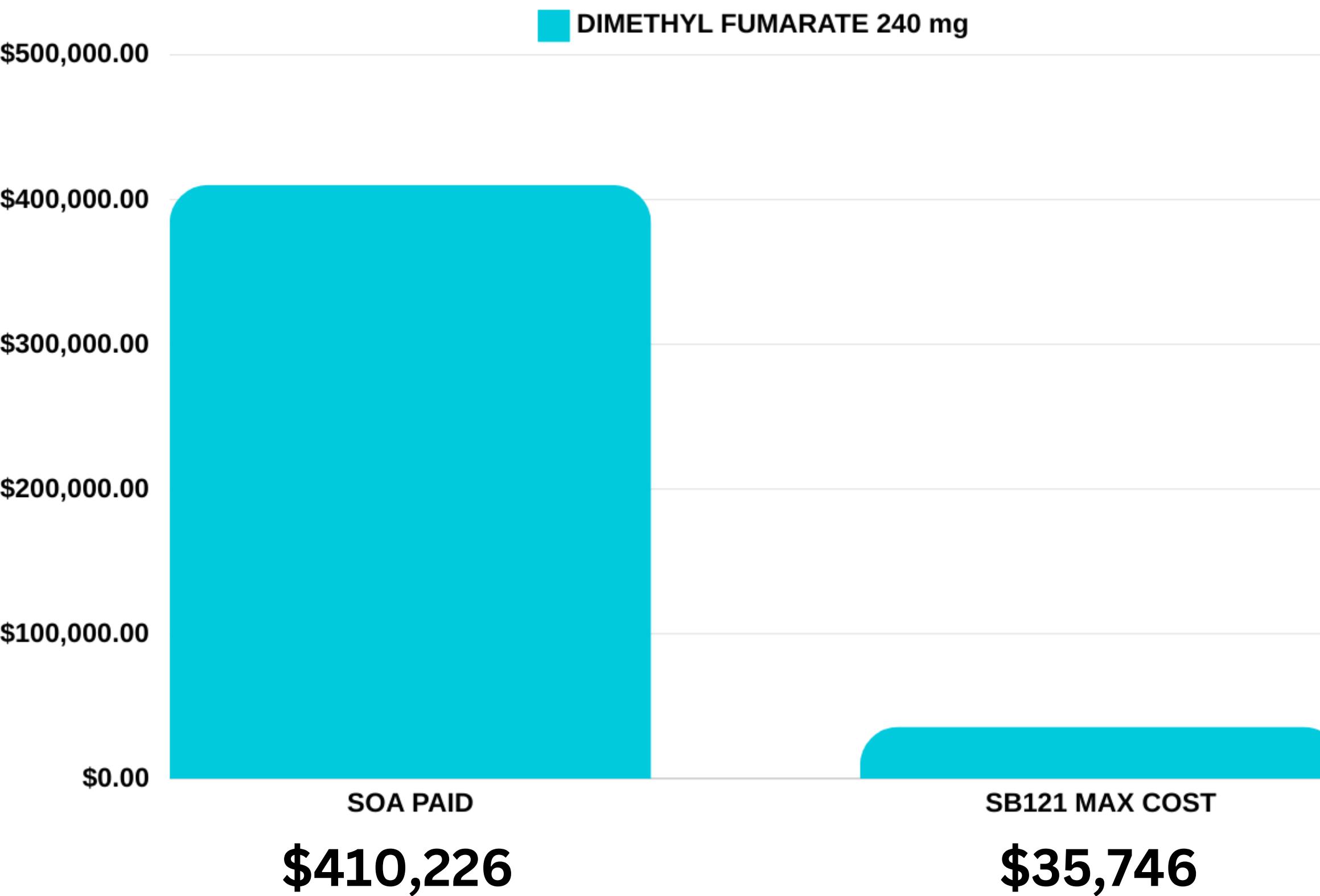


Daniel Nelson, PharmD
Director of Pharmacy, Tanana Chiefs Conference

PHARMACY REIMBURSEMENT MODEL



93 prescriptions filled by Optum Retail, 1 prescription filled by Optum Specialty

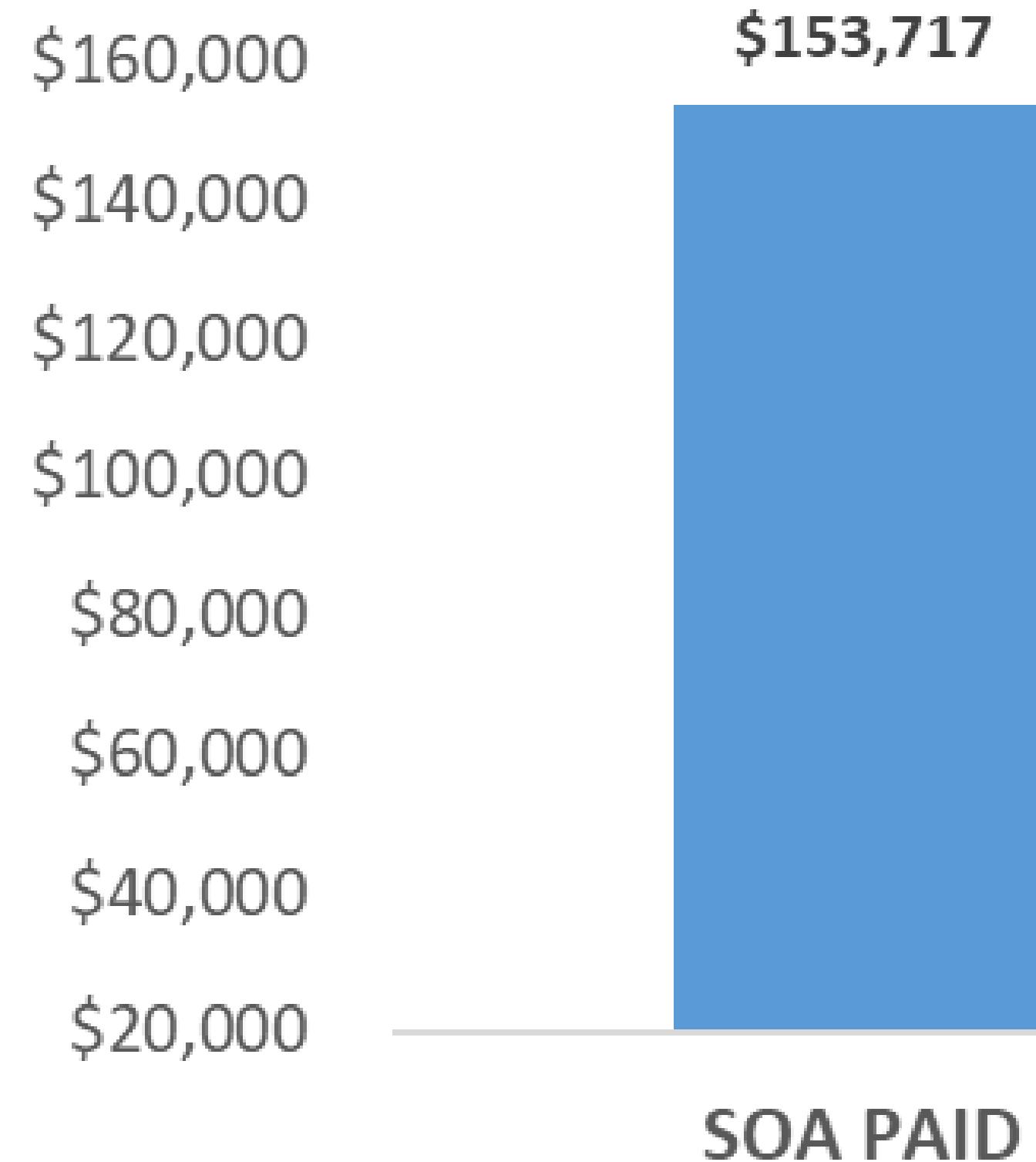


State of Alaska (SOA) Division of Retirement & Benefits was Charged by OptumRx >1,140% over estimated acquistion.

If specialty pharmacy filled prescription increase cost by \$2/tablet

All 32 prescriptions filled by Optum

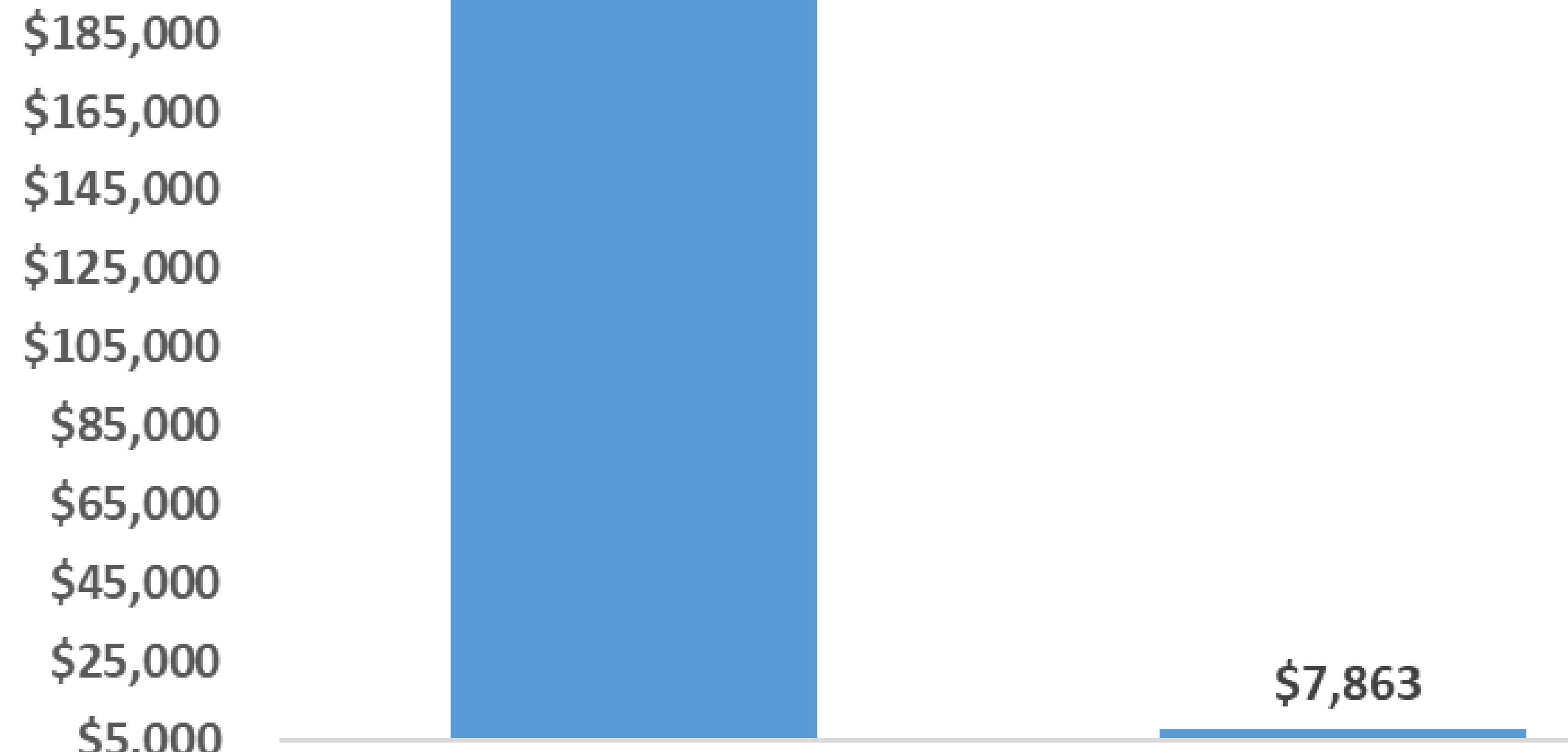
Copaxone 40MG-ML PFS



When filled by “specialty pharmacy” = additional **\$1,000/prescription charged**

Ampyra 10 MG ER Tablet

\$194,645



\$185,000
\$165,000
\$145,000
\$125,000
\$105,000
\$85,000
\$65,000
\$45,000
\$25,000
\$5,000

SOA PAID

\$7,863

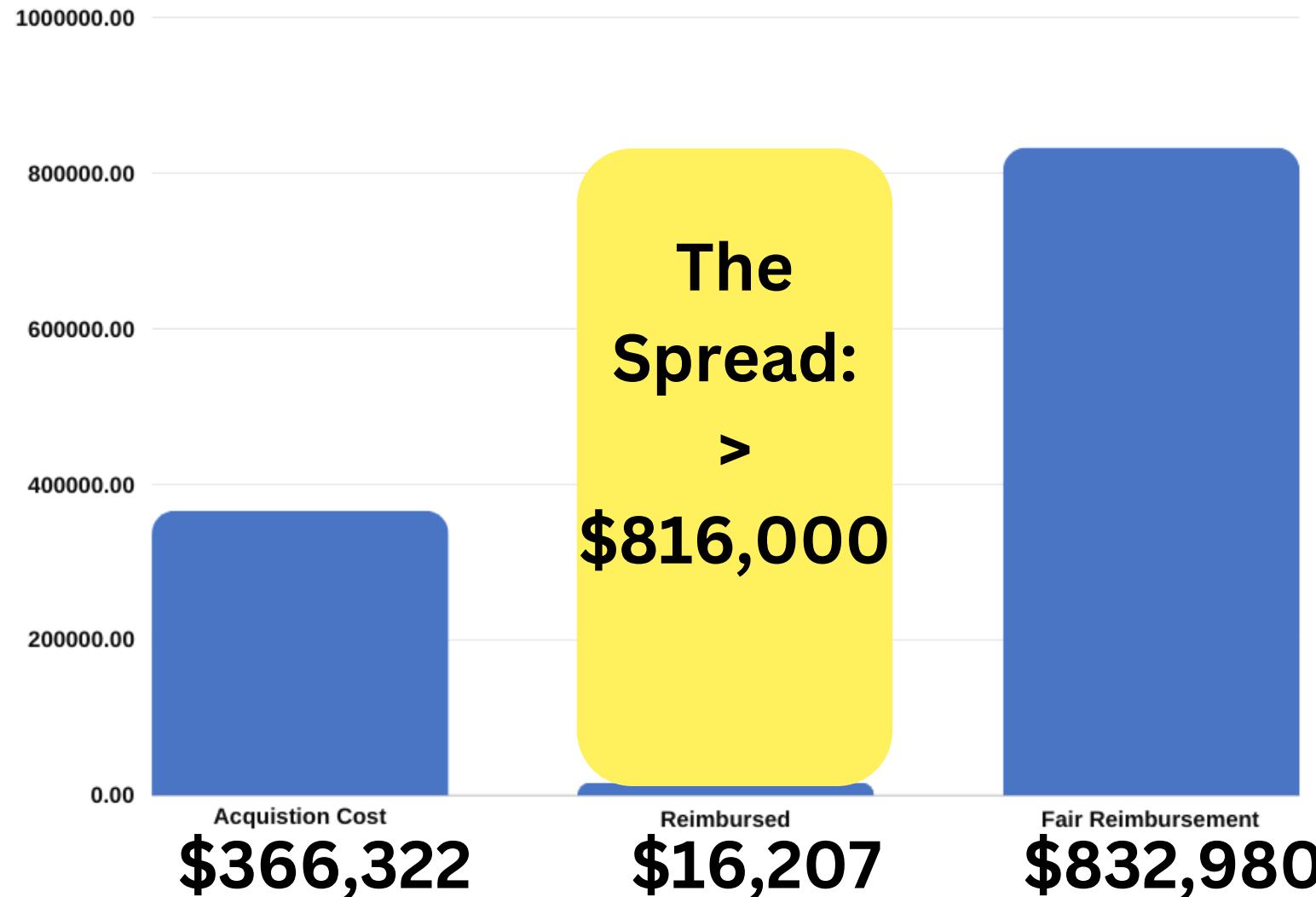
SB121 MAX COST

SOA paid on average **2,400%** more than SB121 would have cost for transparent and fair reimbursement.

SIGNIFICANT FINDINGS:

SOA paid **3,000%** more for **OptumRX Mail**

Spread Pricing Example From One Alaska Pharmacy



“THE SPREAD”
Difference between what a PBM charged one employer and what they paid out to a pharmacy

DRUG NAME (brand name example)	STRENGTH	QUANTITY	AMOUNT PBM CHARGED THE EMPLOYER	AMOUNT PBM PAID TO PHARMACY*	“THE SPREAD”
Omeprazole (Prilosec)	40 mg	30	\$70.85	\$0.00	\$70.85
Bupropion XL (Zyban)	300 mg	30	\$188.88	\$0.00	\$188.88
Escitalopram (Lexapro)	10 mg	30	\$103.47	\$0.00	\$103.47
Losartan (Cozaar)	50 mg	90	\$204.00	\$25.22	\$178.78
Azithromycin (Zithromax Z-pack)	250 mg	6	\$46.70	\$0.00	\$46.70
Fluoxetine (Prozac)	20 mg	30	\$126.03	\$59.50	\$66.53
Ketorolac (Acular)	10 mg	20	\$43.14	\$14.00	\$29.14
Pantoprazole (Protonix)	40 mg	30	\$159.85	\$0.00	\$159.85
Meloxicam (Mobic)	15 mg	30	\$145.33	\$0.00	\$145.33
Lisinopril (Zestril)	30 mg	30	\$45.21	\$2.75	\$42.46
Paroxetine (Paxil)	30 mg	90	\$253.35	\$35.63	\$217.72
Simvastatin (Zocor)	40 mg	90	\$442.85	\$34.94	\$407.91
Baclofen (Gablofen)	10 mg	270	\$667.17	\$126.49	\$549.68
Quetiapine (Seroquel)	200 mg	10	\$129.37	\$5.07	\$124.30
Fluocinonide Cream (Vanos)	0.1 %	240gm	\$3,174.47	\$997.00	\$2,177.47
Atorvastatin (Lipitor)	20 mg	30	\$173.02	\$0.00	\$173.02

*\$0.00 indicates the patient's copay covered the entire cost of the medication, thus the PBM charged the employer for the medication but paid the pharmacy nothing.



Business Book of the Year
—Association of Business Journalists

THE PRICE WE PAY

WHAT BROKE AMERICAN HEALTH CARE
— AND HOW TO FIX IT

MARTY MAKARY, MD

New York Times bestselling author of *UNACCOUNTABLE*

Transparent PBM Example: OreadRx



No Spread Pricing

Our clients pay exactly what is paid to the provider in addition to a flat admin fee, nothing more



No Retained Rebate

Our clients receive 100% of manufacturer rebates on all claims



No Specialty Pharmacy Requirements

Our members are always allowed to use the pharmacy of their choice



Flat Administrative Fee

All OreadRx services are included in one low flat administrative fee

[Dr. Dared Price Testimony at White House Listening Session](#)

Shows cost savings with Provisions in SB 121