

MedBen

health. benefits.

MedBen Rx Advocate

A Better Approach to Pharmacy Benefits.

the right direction.

Even while overall U.S. health care spending growth has slowed in recent years, pharmacy costs have played an increasingly larger role in that growth:

- Annual drug spending has outpaced medical spending in recent years, and estimates suggest that prescription drugs will continue to represent a larger portion of overall health spending.¹
- Specialty drugs have been a major driver of health care costs, with annual growth often exceeding 20%.¹ Between 40 to 50 new specialty drugs will be launched each year, potentially increasing health care costs by \$5 billion annually.

Traditional pharmacy plans tackle the problem of higher drug costs by starting at an elevated price point and working their way down. **MedBen Rx Advocate** approaches drug costs from the right direction: We start low... and stay there.

The MedBen Rx Advocate “Cost Plus” Difference

Most prescription drug programs follow a standard industry approach: Price brand-name medications by taking the average wholesale price (AWP) less manufacturer rebates (if any) and contacted discounts. The MedBen Rx Advocate model eschews this “list less” method in favor of “**cost plus**” pricing.

With MedBen, your prescription plan pays the pharmacy the average **cost** of a drug (based on the acquisition cost index, or ACI, which accurately approximates what the pharmacy paid for the drug), **plus** a dispensing fee that fairly compensates the pharmacy’s services for filling a prescription. The “cost plus” approach provides your plan with a methodology that eliminates the margin manipulation that is possible in the “list less” approach to pricing.

Average Wholesale Price (AWP)

Standard pharmacy pricing starts high with the “list” cost or AWP, and works its way **down**.

LESS Plan “Savings”

Discounts and rebates.

Standard “List Less” Pharmacy Pricing

“List Less” pricing may look good on paper, but when you run the numbers, you’ll find the top-down approach comes up short. **Your Rx contract may not grant you the entire discount, or allow you to keep all the rebates.**

TOTAL COST
TO PLAN
(AWP)

TOTAL COST
TO PLAN
(ACI)

MedBen Rx Advocate “Cost Plus”

“Cost Plus” begins with a simple but obvious idea – “Why should I pay more for a drug than the pharmacy pays?” By using the pharmacy price as a baseline, MedBen Rx Advocate clients pay less for their medications than traditional pharmacy plans.

PLUS Dispensing Fee

A fee that fairly compensates the pharmacy.

Acquisition Cost Index (ACI)

MedBen Advocate Rx starts low with the ACI, which reflects the pharmacy’s **actual purchase price** of the drug... no inflated markups.

¹ Kaiser Family



Your MedBen Rx Advocate Advantage

- **You pay less... simple as that.** With the standard pricing approach, you pay too much. With MedBen Rx Advocate using a drug's average cost as a baseline, you reduce your costs in turn.
- **A clear choice.** "Cost plus" is a straightforward approach to drug pricing. We cut through the savings jargon so you know what you're paying.
- **100% transparency.** MedBen tells you exactly what drug's starting cost is, rather than giving you an inflated price.
- **Prior authorization with a value focus.** Our authorization procedures include clinical necessity evaluation with clinically comparable lowest cost.
- **Insights to action.** Our detailed, easy-to-understand reports offer a clear picture of what's working and suggestions for moving forward.
- **Rebates?** You can be certain that 100% of all paid rebates go back to your plan.

We're Here to Help

MedBen Rx Advocate works with your team to ensure that you get maximum value from your prescription plan. We'll help you explain how the plan works to your employees, and provide formularies that steer plan members to lower cost (but equally effective) generic alternatives.

Savings By the Numbers

By working from the ACI, the consumer's cost closely reflects the true cost of the drug. As these examples show, the "cost plus" approach translates to significantly lower prices.

"List Less"	"Cost Plus"
Vyvanse 50mg Capsules, 30-day supply	
\$279.39	\$267.30
4.7% Savings	
Amphet/Dextro 20mg Tablets, 30-day supply	
\$48.32	\$38.10
21.2% Savings	
Amlodipine 10mg Tablets, 90-day supply	
\$31.47	\$10.29
67.6% Savings	

Expert Pharmaceutical Advice

MedBen works with pharmacy benefit professionals dedicated to finding sensible ways to reduce prescription spending. Through claims analysis, our experts can identify members whose utilization patterns drive costs or potentially diminish their quality of life, aiding in the choice of cost-effective drug therapy.

Stand-Alone or Comprehensive

MedBen Rx Advocate is available as a stand-alone service, in which we work with your medical administrator to integrate your pharmacy coverage. However, we find these services work best through a single source – and MedBen offers medical benefits management that complements your prescription plan.

Complete the Package

MedBen features a variety of services that help to further the cost savings potential of your pharmacy plan. Our offerings include a wellness program that emphasizes preventive care, and consumer-driven products that allow members to pay for medical expenses with pre-tax dollars.

Take Rx Costs in the Right Direction

MedBen Rx Advocate brings a fresh perspective to pharmacy plans, with a “cost plus” approach that simplifies pricing while reducing your costs. To learn more, contact the MedBen Sales and Marketing Department at **(888) 627-8683**.



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**MedBen is proud to be one of the
first benefit companies to achieve
ISO 9001 Certification.**

