

Pharmacy Benefits Management

Smart Strategies for Containing Costs

Managing prescription drug costs continues to be a critical healthcare and business issue. The best management solutions incorporate a number of different strategies — from preferred drug lists and drug rebate programs, to advanced clinical analytics and predictive modeling of physicians' prescribing patterns, to reviewing patient utilization patterns in order to more tightly control high-cost utilization.

ACS can help. As the nation's largest provider of government pharmacy benefits management, serving 32 programs in 27 states, the District of Columbia, and U.S. Department of Labor, ACS offers a full range of administrative and clinical solutions by providing point-of-sale claims processing services and clinical management programs to commercial HMOs, state Medicaid agencies, insurance administrators, self-insured employer groups, state employee benefit programs, worker's compensation programs, and senior drug programs.

CLINICAL COST MANAGEMENT SERVICES

ACS' industry leading clinical programs and services deliver true cost savings to our clients, achieving as much as 20 percent in program savings. Utilizing a combination of cost management services, ACS helped the State of Florida save over \$800 million in three years. Our experience spans more than two decades of providing claims processing and administrative services specifically designed for prescription benefit programs.

The following are just a few examples of our many cost management programs:

Prior Authorization (PA) Programs control the distribution of specific medications by assessing their appropriateness for recipients. The SmartPASM solution developed by ACS-Heritage streamlines the PA process by using a recipient's drug and medical history to automatically determine if a medication meets the program's approval criteria.

Third Party Liability (TPL) Cost Avoidance Program helps states avoid costly pay-and-chase activities for prescription drug claims. The SmartTPL solution automatically searches for other insurance coverage before a prescription is filled at the point of sale.

ACS' QUALIFICATIONS

- The leading provider of government pharmacy benefits administration
- Serves 32 programs in 27 states, the District of Columbia, and U.S. Department of Labor
- Expert in strategies to reduce pharmacy expenditures
- Processes over 2 million calls and faxes through call centers annually
- Processes more than 220 million pharmacy claims annually for more than 14 million Medicaid recipients

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SmartTPL determines eligibility, identifies appropriate payer information and claim submission information before a claim is paid, reducing state administrative expenses and improving provider operational efficiency.

Therapeutic Consultation Program seeks to control pharmacy program costs by strictly monitoring program drug benefits and ensuring that prescribed medications are appropriate and necessary.

Therapeutic Academic Intervention Program brings physicians' prescribing patterns in line with clinically based program standards. Educational interventions, which emphasize the importance of providing clinically sound and cost-effective care, encourage prescribers to comply with established guidelines.

Intensified Benefits Management Program focuses on the clinical evaluation of individual recipient treatment plans. The program involves coordination of care among all providers rendering care to a patient in order to correct inappropriate prescribing behavior and promote positive health outcomes.

Preferred Drug List and Supplemental Rebate Programs promote the use of medications that are both clinically efficacious and cost-effective. The list is developed by ACS clinicians from various disciplines and presented to state pharmacy and therapeutics committees for approval. Manufacturers are invited to offer supplemental rebates to make their products more economically competitive. ACS' approach maximizes both up front savings and rebate income.

In combination, these six initiatives can generate savings of 15 to 20 percent while maintaining and even improving the quality of care. The cost-to-benefit ratio exceeds a factor of ten to one.

SUPERIOR SYSTEM DESIGN AND FLEXIBILITY

Since 1992, ACS has consistently demonstrated its ability to support all aspects of point-of-sale pharmacy claims processing. Our real-time POS system gives payers unparalleled flexibility in establishing benefit plan parameters, allowing administrators to quickly implement complex new policies and add new populations. ACS provides a comprehensive, integrated suite of system solutions and proven clinical intervention programs to lower costs, encourage compliance, educate providers and patients, and improve the quality of care.

ACS PROVIDES:

- Point-of-sale prescription drug claims processing, including:
 - Automated prior authorizations
 - Automated third party liability coverage determination
- Prospective and retrospective drug utilization review
- Drug rebate negotiation and administration
- Preferred drug list development and maintenance
- Pharmacy intervention and surveillance
- Clinical capabilities:
 - Client-specific formularies
 - Patient profile reviews
 - Academic detailing
- Therapeutic Consultation Program
 - Control pharmacy drug costs
 - Monitor program drug benefits
 - Review physician prescribing activities

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