

Hiding in Plain Sight: Expensive, Non-Essential Drugs are Needlessly Inflating Plan Costs



There is an emerging trend in which pharmaceutical companies are creating new prescription medications from already approved drugs and marketing them at exorbitant costs. Although safe and effective, these non-essential drugs contain nearly identical active ingredients and provide little to no clinical value over readily available lower-cost alternatives.









These non-essential drugs also include topical medications that come at a high cost but in reality, provide little clinical benefit over their generic or over-the-counter alternatives. In fact, over a six-year period, there was a cost increase of more than 400% for 19 commonly prescribed topical brand drugs.¹

Hiding in Plain Sight

The fix for this trend sounds so simple: locate all high-cost, non-essential drugs and substitute equally effective, lower-cost medications. The challenge, however, is finding them as these drugs are not in the spotlight like a new specialty drug or biologic. They're also not always identifiable by specific therapeutic class or even dollar amount per fill.

Many formularies fail to address non-essential medications or formulary exclusions and step therapy requirements allow for member access. Plus, some pharmacy benefit managers (PBMs) cover these medications because they provide high rebate offers per fill. Because of this, plans are paying inflated costs and missing opportunities for savings while the member becomes acclimated to the high-cost drug.

Examples of Creative Formulations That Drive Up Plan Costs

NON-ESSENTIAL DRUG	VS.	ALTERNATIVE DRUG
 \$2,978 Vimovo® <i>(naproxen/esomeprazole)</i>	→	 \$31 OTC naproxen & esomeprazole separately
 \$900 Treximet® <i>(sumatriptan/naproxen)</i>	→	 \$34 sumatriptan & OTC naproxen separately
 \$1,979 Duexis® <i>(ibuprofen/famotidine)</i>	→	 \$13 OTC ibuprofen & OTC famotidine separately
 \$806 Neo-Synalar Cream	→	 \$13 fluocinolone & OTC tripleantibiotic ointment separately

Prices may vary

SAVINGS ADD UP WHEN YOU PROTECT YOUR PLAN WITH THE NON-ESSENTIAL DRUG PROGRAM

Save up to **60%** by replacing costly drugs with lower-cost alternatives



Save up to **96%** per topical medication prescription

Identify, Eliminate and Save

The answer to this challenge is our Non-Essential Drug (NED) program, which offers vigilance outside of the formulary by identifying and blocking unnecessary medications. Our team of Elixir pharmacists develop and manage a list of non-essential drugs, many of which have nearly identical active ingredients that are already commercially available. This includes brand topical medications that have direct generic equivalents.

Our pharmacists review the NED list weekly and make updates as new medications are released to the market.

If a member attempts to fill a medication on the NED list, the medication will be rejected at the point of sale and a clinically sound alternative will be offered in its place. This ensures proper dispensing and individualized care for the member.

There is no cost to the plan for the NED program. Once enrolled, no further action is needed.

Communication is Key

As part of the NED program, we keep members informed of changes to their medications by:

- Notifying them of changes to the non-essential drug list
- Informing them of the clinically-appropriate, lower-cost medication alternatives
- Providing them immediate information on the covered, more affordable medication alternative while they are at the pharmacy counter

Utilizing the NED program, you and your members are assured that the most cost-effective, safe medication is being provided.

Resource:

1 Rosenberg ME, Rosenberg SP (2016). Changes in Retail Prices of Prescription Dermatologic Drugs From 2009 to 2015. JAMA Dermatology.

For more ways to improve plan and member outcomes, visit elixirsolutions.com.