



## EMPLOYER SUCCESS STORY #1

# It's a great day to declare your Health Care Independence

What does this mean to you, your company, your employees? It's the difference between how your health benefit plan was supposed to work and how it actually played out.

What happened to that perfectly sensible solution you put in place? You found out just having the programs was not enough. You needed employees to be on board, following through on the actions you wanted them to take.

You learned the hard way, same as we did.

We studied things from every perspective and came upon a process we could use to motivate our employees to choose better health care options, powerful choices that create savings for the employee, the employer and the community.

This process — **5 Steps to Health Care Independence** — can be applied to any health care issue.

# PHARMACY

We used it to address the pharmacy challenges faced by the Orthopedic & Sports Institute (OSI), one of the founding members of NOVO Health.

In 2018, OSI experienced unusually high health care losses linked to pharmacy costs, an experience that threatened other areas of the budget. Pharmacy costs exceeded 20 percent of the medical spend.

Here is how the process was applied:

## STEP 01

### EVALUATE

Working with its broker, OSI studied its claims data and found the use of higher priced brand name drugs when generics were available was the driving factor behind high pharmacy spend.



## STEP 02

### MOTIVATE

Employees sometimes need motivation to change longstanding habits. Partnering with an independent pharmacy was a first step; the second step was an incentive — prescriptions under \$100 would be free to employees.



## STEP 03

### ACTIVATE

OSI switched to a low-cost, wholesale provider and partnered with an independent pharmacy that provided mail order to make the process simple. Interestingly, OSI surveyed employees and found many were unaware of the incentive and other benefits offered. An employee engagement campaign was initiated; utilization rose.



## STEP 04

### EDUCATE

Educate on the “what and why” of the new program. Employees were introduced to the new pharmacy benefit, and this was used as the springboard to ongoing engagement opportunities. Employees were expected to choose generics whenever possible and understood costs for them would only escalate if they did not change the pattern.



## STEP 05

### CELEBRATE

The motivations worked. That pharmacy now handles 20 percent of all OSI prescriptions and generic drug utilization now exceeds 90 percent. Employees who have visited the new pharmacy partner rave about the experience, and the overall success of the program has been touted in internal company communications, testimonials and at the annual benefits meeting.



# And then you go back to Step 1 (Evaluate)

And that brings us back full circle. The five steps are an ongoing process — not a list, but a wheel. When you complete the fifth step, go back to the first. Evaluate the strengths and weaknesses of how you deployed these five steps — what worked, what you could do differently. Have any of your problems changed with changing conditions? Have you addressed some changes and it's time to continue to the next?

Even with the 90 percent compliance, OSI continues to review its pharmacy benefit program for savings opportunities. It also regularly analyzes data in the other major savings areas for opportunities to liberate itself from high health care costs.

The same five steps will continue to guide your journey. NOVO Health and our community of companies are here to support you.