



“Benefit Briefs”

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“Newsbrief concerning employee benefits”



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Pharmacy

While many organizations view their drug benefit spend simply as a necessary cost of doing business—some are recognizing that their drug plan is an investment in the overall health and well-being of their employees. Realizing that drug plans can have an impact on productivity and the bottom line, more organizations are approaching plan management from a strategic perspective. The key components of successful pharmacy benefits management are the same, they will deliver cost savings and health outcome advantages for members and the employer. A number of factors affect the cost, use and effectiveness of a company's drug plan. Positive factors include generic reform; the “patent cliff” (with several large volume molecules having recently or soon becoming available in generic format); pharmaceutical innovation; and advancements in technology/biotechnology. (Innovation also comes with its challenges, however, given the cost trends for biologics). Factors that can drive up plan costs include government cost-shifting; economic recession; drug cost inflation; entitlement attitudes among employees; influencers to treatment and prescribing decisions that don't necessarily align with employer interests; and an aging and overweight demographic with increasing chronic disease burden. A winning drug plan design begins with your formulary. All drug plans have a formulary (the list of drugs that are covered). Formularies are commonly described as managed or open, depending on the degree to which drugs are covered or not covered, and with or without limitations, restrictions or criteria. Best-in-class managed formularies use an evidence-based review process overseen by a pharmacy and therapeutics committee of qualified clinicians and practitioners. The committee assesses each drug based on its clinical merits, its relative cost-effectiveness and its place in therapy versus other comparable treatment options and makes decisions to list the drug, not list it or list it with limitations or criteria.

The right medications work only in those who take them. Non-adherence—not taking medications as prescribed—is one of the major contributors to waste and avoidable cost in the healthcare system. But taking medication is a complex behavior that is influenced by numerous factors. Therefore, it's important to have broad strategies targeting adherence and to individualize and tailor interventions to the patient's needs. Among those strategies are pharmacy care services, including medication reviews, medication therapy management and disease state management.

Promoting the use of generic medications—especially with “mandatory generic” or “mandatory lowest-cost alternative”, is one of the original and most widely used value-based plan design concepts in the marketplace. In the U.S., generics are used to fill approximately 78% of all prescriptions.

Tiered drug plan designs assign medications to a coverage tier based on their value proposition and align member cost shares by tier to encourage consumerism and cost-effective drug selection. Medications for targeted disease states can also be selectively layered into “preferred” tiers, and plan management tools such as step-therapy (in which access to second- or third-line treatment options is predicated by failure or contraindication to use of cost-effective first-line treatment options), therapeutic substitution and prior authorization can also be leveraged within a tiered plan design.

Drug plans represent a significant spend for organizations, but they're also an important investment in employee health and productivity.

Time to get serious?

Most people tend to get serious about heart health in their 50s. But recent research shows that starting years earlier is the most effective way to reduce the risk of cardiovascular disease and stroke. According to a recent study, keeping blood pressure and other risk factors in check over time is much better than playing catch-up as a person ages because blood pressure tends to increase with age. It is important to catch rising blood pressure early to stem the growing risks that come with it. Cardiovascular disease tends to happen at the average age of 55. A recent journal publication indicated that bringing high blood pressure under control at any time reduces risk of disease. Controlling it in the first place at a younger age can lower risk at an older age. (continued page 2)

Drug shortages on the rise

The number of new prescription drug shortages in 2011 shot up to 267, well above the prior record and about four times the number of medication shortages in the middle of the last decade.

Figures just released by the University of Utah Drug Information Service, which tracks national drug shortages, show there were 56 more newly reported drug shortages in the U.S. last year than in 2010, when there were 211. By contrast, there were only 58 drug shortages reported in 2004. As the drug shortages worsen, so does their impact on patient care, particularly in hospitals. The inability to get crucial medicines has disrupted chemotherapy, surgery and care for patients with infections and pain. The Food and Drug Administration has said it has prevented more than 100 new shortages in 2011. Some of the more recently reported shortages are very difficult for hospital pharmacists and other staff to manage. Shortages of sedatives widely used in surgery, including Valium, Versed, lorazepam and the opioid painkiller fentanyl which is used for everything from moms giving birth and ICU patients to the ER.

The FDA says the main reason for the shortages is manufacturing deficiencies leading to production shutdowns. Other reasons include companies ending production of some drugs with tiny profit margins, consolidation in the generic drug industry and limited supplies of some ingredients.

Health Care Costs

1% of Americans accounted for 22% of health care costs in 2009, according to a federal report recently released. That's about \$90,000 per person, according to the Agency for Healthcare Research and Quality. Five percent accounted for 50% of health care costs, about \$36,000 each, the report said. The report showed how a tiny segment of the population can drive health care spending with the top 1% of the population accounting for 28% of health care spending. About one in five health care consumers remained in the top 1% of spenders for at least two consecutive years and the report also showed these characteristics of patients in the top 10% of health care spenders in 2008 and 2009:

- Sixty percent were women
- Forty percent were 65 or older.
- Only 3% were ages 18 to 29.
- Eighty percent were white.
- Only 2% were Asian.

Did I really make New Year's Resolutions again?

Losing Weight

You may want to lose 15 or 20 pounds, but how you will get there? Concentrate on healthier actions that will eventually lead to weight loss. If it isn't something that you can readily do every day, it probably won't work for you. Try:

- Walking 20 minutes after work every other day.
- Drinking water instead of soda.
- Cut back on sugar in recipes.

Eat Healthier

Figure out ways to add healthier foods to your menu. Don't remove items, replace them with something more healthy. Try:

- Cook at home more – eat out less.
- Replace wine with sparkling water.
- Use skim milk whenever possible.
- Try using fish more often than meat
- How about a 100% vegetable meal every so often

Get More Exercise

If you don't exercise – start to. Choose things that fit your schedule and gradually increase the time and effort you put into it. Try:

- Turn you 15 minute walk into 30 minutes.
- Park as far away from an entrance as you can.
- Switch things up every so often to exercise different muscles.
- Ignore reasons not to exercise like time and weather

Spend More Time With Family and Friends

Staying in contact with other people allows us to relax and enjoy life and can help reduce stress and boost mental well-being. Increase your contacts by dedicating small pieces of time toward this. Take time to call or e-mail on a regular basis. Stop in occasionally with friends just to talk. Meet somewhere for coffee or to shop together. Take advantage of some of the new technologies like computer cams and record a video message.

What about sleep apnea?

More than 18 million American adults have sleep apnea. Sleep apnea is a disorder in which breathing is briefly and repeatedly interrupted during sleep. The "apnea" in sleep apnea refers to a breathing pause that lasts at least ten seconds. Sleep apnea can cause fragmented sleep and low blood oxygen levels. For people with sleep apnea, the combination of disturbed sleep and oxygen starvation may lead to hypertension, heart disease and mood and memory problems. There are a number of factors that increase the risk of having sleep apnea, including having a small upper airway, being overweight, a large neck size (17 inches or greater in a man, or 16 inches or greater in a woman), smoking and alcohol use, being age 40 or older, and it may be hereditary.

Chronic snoring is a strong indicator of sleep apnea and left untreated results can include disturbed sleep, excessive sleepiness during the day, high blood pressure, heart attack, congestive heart failure, cardiac arrhythmia, stroke or depression.

One of the most common methods used to diagnose sleep apnea is a sleep study, which typically requires an overnight stay at a sleep center. The sleep study monitors a variety of functions during sleep including sleep state, eye movement, muscle activity, heart rate, respiratory effort, airflow, and blood oxygen levels. This test is used both to diagnose sleep apnea and to determine its severity.

The treatment of choice for sleep apnea is continuous positive airway pressure device (CPAP). CPAP is a mask that fits over the nose and/or mouth, and gently blows air into the airway to help keep it open during sleep. This method of treatment has proven to be highly effective.

Some lifestyle changes can help reduce the severity of sleep apnea:

- Lose weight.
- Quit smoking.
- Quit or limit alcohol intake

The most important part of treatment for sleep apnea is using the CPAP whenever you sleep, as getting adequate sleep is essential to maintaining your health.

Time to get serious? (continued)

For example, the report indicates that men who maintained moderately elevated blood pressure during the study period had a 51% chance of cardiovascular disease in the remaining years of their life versus men with consistently low blood pressure, below 120/80, had a 41% risk. But risk for cardiovascular disease jumped to 69% for men who had low blood pressure in their 40s and ended up with hypertension. Another study, published last month in the Journal of the American Medical Association, showed similar results based on measurements of people's resting heart rate, which is typically lower for healthier patients. An increase in the rate, which is the number of heart beats per minute while seated, over the 10-year study period was associated with a heightened risk of fatal heart disease. People who maintained lower or normal rates had lower risk. That study involved 29,000 participants.

High blood pressure is associated with hardening and thickening of the arteries, which forces the heart to work harder and can lead to a range of ailments. A healthy diet, exercise and not smoking are recommended as the best ways to control blood pressure. Prescription drugs are also available for high blood pressure, but patients who curbed their levels in the Circulation study did so only with lifestyle changes.