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# HEALTH PLAN WEEK

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## Promoting Mail-Order Delivery Boosts Adherence, Generic Use

Home and mail-order delivery for prescription drugs is increasingly showing up on many health plans' radars as a way to save money within the pharmacy benefit. And though most insurers already offer mail-order programs, only recently have plans seen the potential for cost savings and launched aggressive promotion campaigns, according to some industry experts.

"While pharmacy is the most used benefit, it's also a benefit where consumers are able to control a decent amount of the spend with their selection of drug channel and choice of drugs...and I think that's why we're seeing health plans having an increased interest in mail as a cost-saving measure," George Van Antwerp, general manager of pharmacy solutions at Silverlink Communications, Inc., tells *HPW*. He says plans can save an estimated 5% to 7% on drug costs by moving to mail. "The question is, how aggressively are they promoting it?"

Among their many benefits, mail-order pharmacies have been proven to transition more patients to generic drugs and continue to show higher rates of patient adherence, according to pharmacy benefit manager (PBM) Express Scripts, Inc. In March, the PBM reported that 84.7% of diabetes patients who received their drugs through mail showed good medication adherence, compared to 76.9% for patients who purchased drugs at a local pharmacy. And in its 2009 *Drug Trend Report*, Express Scripts found that home delivery can save plans an estimated \$27 per member per year.

Sean Donnelly, vice president of Rx distribution for Express Scripts, says that while the value of mail delivery is nothing new, "more plans are coming out publicly, realizing it's good for their book of business."

Blue Cross of Northeastern Pennsylvania (BCNEPA) is one plan that recently started promoting home delivery as the "preferred way" for members to fill their maintenance medication prescriptions.

Under its new Select Home Delivery program, launched May 1, the plan's 75,000 members taking

drugs to treat chronic conditions — such as asthma, diabetes or high cholesterol — now have to choose whether they want to continue buying their drugs at a pharmacy or sign up for mail-order delivery.

### BCNEPA Boosts Education Efforts

In its monthly newsletter to members, the insurer claims home delivery is "the most cost-effective way to fill prescriptions." To promote the program, BCNEPA has launched an aggressive communications campaign to educate members on the benefits of switching to home delivery.

UnitedHealthcare, Inc. (UHC) also recently started promoting its mail-order program. Earlier this year, the plan launched its "refill and save" program, which gives members who refill their prescriptions through mail a \$50 discount on a 90-day supply.

BCNEPA and UHC are two plans that are "on the front end of an emerging trend," says Donnelly. More than 40% of Express Scripts' health plan clients now have a mail program in place that incents or promotes the use of home delivery "outside of just the copay" — and that number continues to grow, he adds. UnitedHealth Group's PBM subsidiary Prescription Solutions also saw an increase of about 10% in utilization of mail services in the fourth quarter of 2009 compared with the same period in 2008.

"Health plans are always looking for ways to make sure that they stay competitive" — especially as they fight to maintain rate hikes, Donnelly says. "Pharmacies typically represent 15% or 20% of overall spend for their plan sponsors, so they need a clear pathway to manage those rate hikes...Plans are realizing that these are proven PBM tools that have been underleveraged or underutilized within our book of business."

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