

# Costco Health Solutions Benefit Changes

For UnitedAg

# Agenda

- Costco Health Solutions - Who we are
- Mail Order
- Specialty
- Member Services
- Q&A

# Why Costco Entered The PBM Space

“

*a fully transparent, full pass-through model that our clients could trust ...*

”

Through our own pharmacies we saw that we could buy a drug for \$0.05 per pill. Our PBM would bill us \$2.00 a pill for the same drug thus creating spread pricing (i.e. profit) for them.

At the same time, service delivered by our PBM vendors were inconsistent with Costco standards and member, partner and employee expectations.

Not finding any suitable options in the existing PBM market, Costco Health Solutions was created. It delivers a fully transparent, full pass-through model that our clients could trust to put their best interests first and not the PBM's.

# A Better Model



- ✓ True 100% Full Pass Through PBM Model- No spread pricing
- ✓ All rebates and any other manufacturer revenue returned to client
- ✓ Admin fee is our only source of revenue
- ✓ All clinical programs included in our admin fee- no add on “junk” fees
- ✓ Costco reputation for customer service, honesty and business ethics
- ✓ One point of contact for implementation, account management, reporting
- ✓ Carefully developed strategies to minimize specialty drug expenses
- ✓ Clear, concise contract
- ✓ All aspects of our program are fully auditable

# CHS Network Management

Our network includes all major pharmacy chains and independents.

Over 65,000 pharmacy locations in our national network, including CVS, Walgreens and Rite-Aid.

Consultative approach to network management to minimize costs.



CHS owned Mail and Specialty Pharmacies.

Extending value with access to affordable Hearing and Optical services at Costco.

# Formulary Management



- ✓ Premium pharmacy benefit
- ✓ Remove unnecessary waste and control cost
- ✓ Effective clinical programs
- ✓ Dedicated specialty team
- ✓ Strategic focus to prevent disruption

# Mail Order

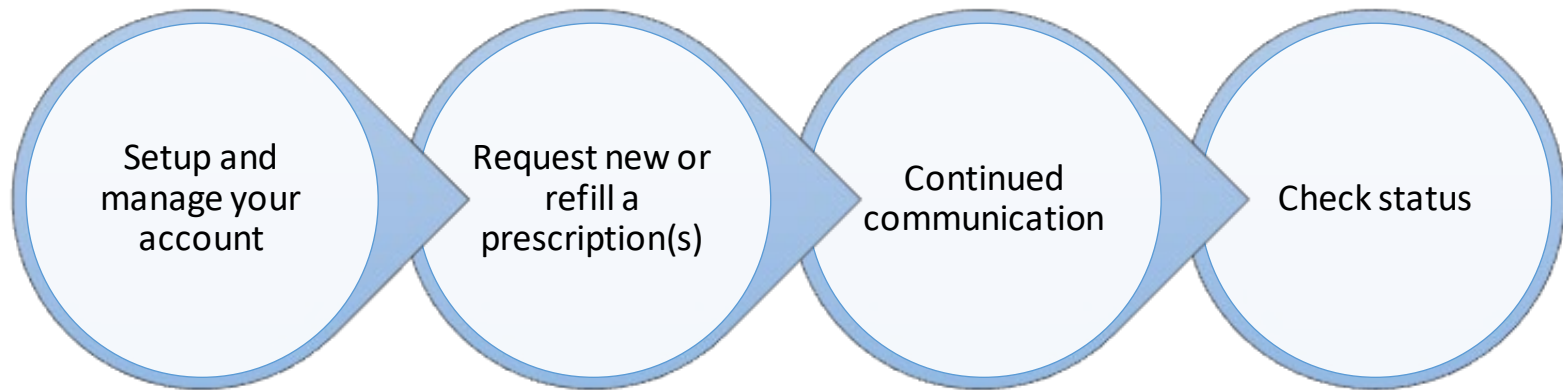
# Mail Order Services



- ✓ Traditional Mail order: Submit all new prescription requests and refill orders by mail or phone.
- ✓ Online ordering: Set up an online account and submit all new prescription orders and refills at [www.Costco.com/home-delivery](http://www.Costco.com/home-delivery).
- ✓ Pharmacy staff proactively communicate with physicians and patients to ensure timely prescription processing and delivery.
- ✓ Call Center staff available to direct calls appropriately and efficiently.
- ✓ Licensed pharmacists are available to answer any medication questions or concerns.



# Taking Control Of Your Health



# Specialty

# SPECIALTY

## Customized Design

- ✓ Flexible plan design
- ✓ Population-specific program recommendations
- ✓ Drug Utilization Review
- ✓ Formulary Options

## Cost Controls

- ✓ Step Therapy
- ✓ Prior Authorization
- ✓ Use of biogenics/ biosimilars, as available
- ✓ Proprietary interview techniques
- ✓ Avoid shipping unneeded meds

## Clinical Management

- ✓ Increase adherence to therapy
- ✓ Monitor adverse events and side effects
- ✓ Dose optimization programs and split fill options
- ✓ Identify and discontinue therapy that is duplicative or non-effective
- ✓ Determine if member needs assistance to remain compliant to therapy

**Innovative solutions to improve quality of care while reducing overall health care costs**

# SPECIALTY CLINICAL MANAGEMENT

Costco Health Solutions Specialty Program provides targeted clinical management to members based on their individual needs.

- Onboarding call with our clinical staff to establish a tailored treatment plan
- Monthly outreach call with a designated patient care coordinator prior to each refill
- Care coordination with patient, provider, and infusion centers when appropriate

Multiple Sclerosis	Rheumatoid Arthritis	Cystic Fibrosis	Growth Hormone
Hepatitis	Oncology	HIV	Osteoporosis
Infertility	Transplant	Psoriasis	Crohn's Disease
RSV	PAH	Hypercholesterolemia	Hemophilia

# Member Service

# Member Service / Customer Care



**24/7  
Toll-Free Line**



**All Calls  
Greeted LIVE**

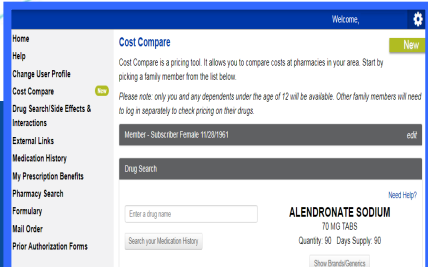


**Pharmacist Team  
On-Site**



**Member  
Portal**

# Member Portal



## What Are The



### Pharmacy Locator

Members are able to locate a pharmacy in their area or while on vacation



### Cost Compare Tool

A pricing tool that allows you to directly compare costs at pharmacies in your area.



### Access to Important Member Information

Members will have access to past claims, Mail Order Pharmacy management, Specialty Pharmacy care, forms, and much more.

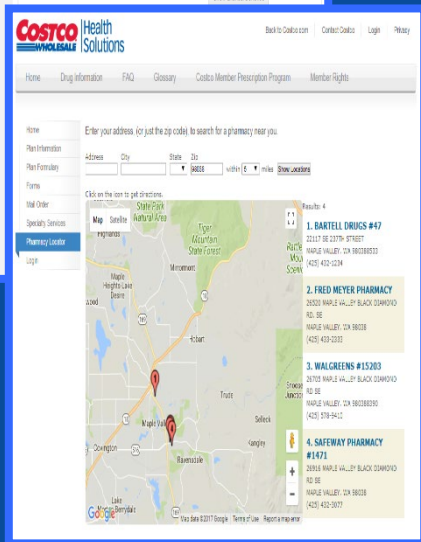
## How Do Members

### CHS Portal

Members will need access to their Member ID and Rx Group Number

### Mail Order

From the CHS landing page, members will create a mail order profile which will include: Account and Patient Profile, Insurance Information, Payment Information, Address, and Privacy Information



# Q&A

Still have questions, for additional information & FAQs, go to [costcohealthsolutions.com](http://costcohealthsolutions.com) or call Costco Health Solutions Customer Care at (877) 908-6024