

# Why specialty costs dominate spend – and what to do about it



## There is no one-size-fits-all solution

As the cost of specialty medications continues to climb, we're developing innovative ways to help keep costs down for plan sponsors.

For years, we've been carefully crafting the right clinical expertise, benefit designs and industry relationships within the pharmacy benefit to help manage specialty medications. Now, plan sponsors can take advantage of that knowledge and rigor to help them regulate costs on the medical benefit.



#### The problem

Managing medically administered medications is increasingly complex. Unlike National Drug Codes (NDC) on the pharmacy benefit, J or HCPC codes used on medical benefit claims lack specificity, which can result in missed opportunities to control costs while ensuring quality care.



## The opportunity

Infused therapy is increasing in utilization by 14% year-over-year. Since some sites of care can be more than 130% more expensive, it's important to address opportunities to control cost.1



## **The Optum solution**

There are many ways to remove the cost variability of medical claims. The Specialty Medication Optimization strategy incorporates three programs with different approaches that work together to help you reduce costs and stabilize extreme price variations for professionally infused or injected medications.

## Different solutions for different medications

#### **Drive to lower-cost sites of care**

Drive to lower-cost sites of care **The Specialty Redirection** program retrospectively redirects care to a lower-cost site of care, such as home infusion, infusion suite or a doctor's office, as appropriate.

#### Ideal for medications like: Remicade® (autoimmune conditions)<sup>2</sup>



\$10,500 Average hospital claim



Average clinic cost per claim



\$6,000 **Potential savings** 



#### Bring medication to the provider The MedicalRx Benefit Optimization program controls cost

variations by getting medication through a designated specialty pharmacy and delivering it to the administration location. Ideal for medications like:

## Velcade® (oncology)3



infusion claim



\$1,800 Average pharmacy

cost per claim



**Potential savings** 



#### The MedicalRx Specialty Provider Network program helps providers contract at a specific reimbursement rate for the

Meet providers where they are

medication and administration. This program leverages provider's lower medication purchasing power and preserves their autonomy. Ideal for medications like: Orencia® (autoimmune conditions)<sup>2</sup>



Average cost per infusion claim



cost per claim





medical benefit challenges

We have built a strong foundation managing pharmacy medications that helps alleviate plan sponsors' specialty challenges. Now, we are channeling our expertise in other areas of medical care. From retrospective management to fully engaged solutions that meet our clients where they are, we help people reduce the costs of complex specialty medications.

Apply pharmacy expertise to solve



4. Ibid.

For more information, contact your Optum Rx representative or visit optum.com/optumrx.

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<sup>1.</sup> Magellan Rx Management. Magellan Rx Management 2019 Medical Pharmacy Trend Report. 2. OptumInsight normative health information (NHI) data. Internal analysis of claims based on 11.5 million commercial lives over 12 months. November 1, 2019–October 31, 2020.