MANAGING PRESCRIPTION COSTS E-POLL
co-sponsored by Keenan
December 2015

OVERVIEW

MCOL has conducted an e-poll of healthcare business stakeholders regarding managing prescription costs, asking key questions regarding prospects and priorities for managing these costs in the future; and ranking of applicable items with respect to influence over controlling costs, contribution towards cost increases and potential to manage these costs.

A listing of the specific survey questions and detailed tables with survey results broken out by respondent type follows.

41% of respondents felt the prospects for managing prescription costs going forward will be somewhat difficult and challenging, and 56% felt the prospects will be very difficult and challenging. 71% would place a higher priority on dedicating new or additional resources in managing prescription costs, compared to dedicating resources to managing other components of health care costs, and another 16.5% would place the highest priority in this regard.

Respondents felt pharmaceutical companies have the greatest potential control over these costs, followed by PBMS and health plans. Respondents indicated specialty drug utilization and pharmaceutical drug pricing policies were the top two contributors to cost increases.

With respect to the future potential to manage prescription costs, respondents ranked government regulation, formulary management and DUR, and value based insurance design as the top three solutions.

SURVEY QUESTIONS

I. Please categorize your organization:

- Employer/Union/Employer Coalition
- Health Plan/TPA/Exchange
- Other
- Provider
- Vendor

II. How do you view overall prospects for managing prescription costs going forward?

- Not Difficult Or Challenging At All
- Somewhat Difficult And Challenging
- Very Difficult And Challenging

III. What priority would you place on dedicating new or additional resources in managing prescription costs, compared to dedicating resources to managing other components of health care costs?

- A Lower Priority Than Most Components
- A Higher Priority Than Most Components
- The Highest Priority
- Unsure

IV. Please rank who you feel has the most potential control over managing prescription costs – taking price and utilization into consideration – Rank one item 1 (highest), one item 2 (second highest), etc , with the lowest item ranked 7.

- Employers
- Government
- Patients/Health Care Consumers
- Pharmaceutical Companies
- Pharmacy Benefit Managers/Health Plans
- Physicians
- Other

V. Please rank these items with regard to how much they contribute to overall prescription drug cost increases - Rank one item 1 (highest), one item 2 (second highest), etc , with the lowest item ranked 8.

- Patient Demand
- Patient Medication Adherence Issues
- Pharmaceutical Drug Advertising And Marketing
- Pharmaceutical Drug Pricing Policies
- Physician Prescription Trends
- Purchasers Not Requiring Utilization/Cost Management Techniques/Tools
- Specialty Drug Utilization
- Other

VI . Please rank these items according to their potential to manage prescription costs - Rank one item 1 (highest potential), one item 2 (second highest), etc. with the lowest potential item ranked 9

- Actionable Prescription Analytics Tools
- Formulary Management/Drug Utilization Review
- Government Regulation
- Improved Price Negotiations
- Increased Patient Cost Sharing
- Interventions With Non-Adherent Patients
- Physician Communication And Education
- Value Based Insurance Design
- Other

TABLES

I. Please categorize your organization:

Respondent Type:	Percent
Employer/Union/Employer Coalition	14.1%
Health Plan/TPA/Exchange	26.3%
Other	32.3%
Provider	13.1%
Vendor	14.1%
Grand Total	100.0%

II. How do you view overall prospects for managing prescription costs going forward?

Respondent Type:	Not Difficult Or Challenging At All	Somewhat Difficult And Challenging	Very Difficult And Challenging	Grand Total
Employer/Union/Employer Coalition	0.0%	30.8%	69.2%	100.0%
Health Plan/TPA/Exchange	0.0%	46.2%	53.8%	100.0%
Other	6.3%	40.6%	53.1%	100.0%
Provider	0.0%	38.5%	61.5%	100.0%
Vendor	7.1%	42.9%	50.0%	100.0%
Grand Total	3.1%	40.8%	56.1%	100.0%

III. What priority would you place on dedicating new or additional resources in managing prescription costs, compared to dedicating resources to managing other components of health care costs?

Respondent Type:	A Lower Priority Than Most Components	A Higher Priority Than Most Components	The Highest Priority	Unsure	Grand Total
Employer/Union/Employer Coalition	7.7%	84.6%	7.7%	0.0%	100.0%
Health Plan/TPA/Exchange	3.8%	80.8%	7.7%	7.7%	100.0%
Other	3.2%	54.8%	29.0%	12.9%	100.0%
Provider	7.7%	76.9%	7.7%	7.7%	100.0%
Vendor	7.1%	71.4%	21.4%	0.0%	100.0%
Grand Total	5.2%	71.1%	16.5%	7.2%	100.0%

IV. Please rank who you feel has the most potential control over managing prescription costs – taking price and utilization into consideration – Rank one item 1 (highest), one item 2 (second highest), etc , with the lowest item ranked 7.

Weighted Average Rank (lower number = higher control)

Respondent Type:	Emp-loyers	Govern-ment	Patients/ Health Care Cons-umers	Pharma-ceutical Comp-anies	Pharmacy Benefit Managers/ Health Plans	Phys-icians	Other
Employer/Union/Employer Coalition	5.2	3.4	3.0	3.8	2.9	2.8	7.0
Health Plan/TPA/Exchange	5.1	3.7	4.3	2.1	2.6	3.3	7.0
Other	4.9	3.1	4.0	2.8	3.1	3.2	6.9
Provider	4.8	4.5	3.8	2.5	3.0	2.3	7.0
Vendor	4.6	3.5	3.2	3.4	2.8	3.9	6.6
Grand Total	4.9	3.5	3.8	2.8	2.9	3.2	6.9

Mode Rank (rank with most responses per each item; lower number = higher control)

Respondent Type:	Emp-loyers	Govern-ment	Patients/ Health Care Cons-umers	Pharma-ceutical Comp-anies	Pharmacy Benefit Managers/ Health Plans	Phys-icians	Other
Employer/Union/Employer Coalition	6	5	1	4	3	2	7
Health Plan/TPA/Exchange	6	5	4	1	2	3	7
Other	6	5	6	1	3	4	7
Provider	4	5	6	1	3	1	7
Vendor	6	5	3	1	2	4	7
Grand Total	6	5	6	1	3	2	7

V. Please rank these items with regard to how much they contribute to overall prescription drug cost increases - Rank one item 1 (highest), one item 2 (second highest), etc , with the lowest item ranked 8.

Weighted Average Rank (lower number = higher contribution)

Respondent Type:	Pa-tient De-mand	Patient Medi-cation Adher-ence Issues	Pharma-ceutical Drug Adver-tising And Marketing	Pharma-ceutical Drug Pricing Policies	Phys-ician Prescrip-tion Trends	Purchasers Not Req-uiring Utili-zation/ Cost Manage-ment Tech-niques/Tools	Spec-ialty Drug Utiliz-ation	Other
Employer/Union/Employer Coalition	5.6	4.4	3.0	2.4	5.1	6.1	1.5	8.0
Health Plan/TPA/Exchange	5.2	5.5	3.5	1.9	4.3	5.9	1.7	8.0
Other	5.5	5.0	3.2	2.2	4.2	5.5	2.4	8.0
Provider	4.3	5.5	3.2	2.2	4.2	6.2	2.6	8.0
Vendor	5.4	5.0	4.3	2.1	4.6	5.4	1.6	7.5
Grand Total	5.3	5.1	3.4	2.1	4.4	5.8	2.0	7.9

V. *continued*

Mode Rank (rank with most responses per each item; lower number = higher contribution)

Respondent Type:	Patient Demand	Patient Medication Adherence Issues	Pharmaceutical Drug Advertising And Marketing	Pharmaceutical Drug Pricing Policies	Physician Prescription Trends	Purchasers Not Requiring Utilization/ Cost Management Techniques/Tools	Specialty Drug Utilization	Other
Employer/Union/Employer Coalition	6	4	3	2	5	7	1	8
Health Plan/TPA/Exchange	4	6	3	2	5	7	1	8
Other	6	4	3	2	5	7	1	8
Provider	6	6	3	2	4	7	1	8
Vendor	6	4	3	2	5	7	1	8
Grand Total	6	4	3	2	5	7	1	8

VI . Please rank these items according to their potential to manage prescription costs - Rank one item 1 (highest potential), one item 2 (second highest), etc. with the lowest potential item ranked 9

Weighted Average Rank (lower number = higher potential)

Respondent Type:	Actionable Prescription Analytics Tools	Formulary Management/ Drug Utilization Review	Government Regulation	Improved Price Negotiations	Increased Patient Cost Sharing	Interventions With Non-Adherent Patients	Physician Communication And Education	Value Based Insurance Design	Other
Employer/Union/Employer Coalition	6.2	3.6	1.6	5.3	3.2	5.6	6.9	3.8	8.9
Health Plan/TPA/Exchange	5.6	3.0	3.5	3.7	4.5	6.2	5.5	4.1	9.0
Other	4.7	3.5	2.3	4.3	5.4	5.8	5.9	4.2	8.9
Provider	5.8	3.2	3.2	4.2	4.4	6.3	4.9	4.0	9.0
Vendor	5.0	3.6	3.6	5.1	3.7	5.5	7.4	3.0	8.1
Grand Total	5.3	3.4	2.8	4.4	4.5	5.9	6.0	3.9	8.8

Mode Rank (rank with most responses per each item; lower number = higher potential)

Respondent Type:	Actionable Prescription Analytics Tools	Formulary Management/ Drug Utilization Review	Government Regulation	Improved Price Negotiations	Increased Patient Cost Sharing	Interventions With Non-Adherent Patients	Physician Communication And Education	Value Based Insurance Design	Other
Employer/Union/Employer Coalition	6	4	1	7	2	5	8	3	9
Health Plan/TPA/Exchange	7	2	1	2	5	6	8	3	9
Other	6	4	1	7	5	5	8	3	9
Provider	6	2	4	4	1	8	8	3	9
Vendor	6	4	1	7	3	6	8	3	9
Grand Total	6	4	1	7	2	5	8	3	9

NOTES

The online e-poll was conducted by MCOL from late November through mid-December 2015, among healthcare business stakeholders. N=99. For mode ranks indicated, in the event two rankings tied for the mode, only one mode is indicated, based upon omitting the mode ranks that appeared for another item