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FORGING A
NEW MODEL
FOR FIDUCIARY
PHARMACY
BENEFIT
MANAGEMENT



Renzo Luzzatti,
President

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US-R_x Care

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There is a fundamental problem with the way pharmacy benefit managers (PBMs) deliver care for employers, unions, and government plan sponsors in the US that has been driving up cost for decades. That's why there is an urgent need for a responsible pharmacy benefit manager they know they can trust. US-Rx Care is a fiduciary pharmacy benefit management services provider that doesn't just process claims and discount them but manages and optimizes utilization and minimizes risk for health plans while also improving quality of care. Dynamics that have gotten lost in the current PBM model.

US-Rx Care stands out in its delivery of pharmacy benefit management services with its

Renzo Luzzatti,
President



alignment and contractual commitment to fiduciary responsibility. In turn, US-Rx Care operates without any conflicts of interest, only looking out for the best interest of the plan sponsor and enrollees and operates with full transparency. This ensures a laser focus on clinical rigor and accessing needed medication therapy at the lowest available cost, which consistently produces 30-50% cost savings for their clients, but also does not compromise on the quality of care provided.

Renzo Luzzatti, President of US-Rx Care, says, "Fiduciary compliance is required of employers to ensure that they're living up to their fiduciary duty as plan sponsors. And one of those is to ensure that they're not overpaying for healthcare under their plan."

Fiduciary is a legal responsibility for managing the benefit and related cost. Important to emphasize in what Luzzatti says, is that it's not the vendor (drug manufacturers, PBMs, TPAs, and distributors for example) that are held responsible for living up to these standards and fulfilling their fiduciary duties; it's the plan sponsors themselves, including employers and their leadership. This causes a fundamental problem for plan sponsors: how do you manage compliance risk and deliver cost effective pharmacy benefit programs? On top of that, as Luzzatti points out, how do plan sponsors align their benefit with their own fiduciary requirements, if the vendors hired to administer and manage the benefits themselves accept no fiduciary responsibility -- the status quo today.

US-Rx Care aligns with the fiduciary duties of each and every plan sponsor, meaning no conflicts of interest, no misaligned profit incentives, no benefit constraints, no waste, and full transparency which are all components lacking in the traditional PBM model, especially considering how traditional PBM's are tied to the drug manufacturers



We are helping employers maintain dramatic savings and cost reductions while actually improving quality of care because we are taking the time and care to leave no stone unturned and optimize access to medication therapy affordably and sustainably

or pharmacies themselves. These conflicts of interest that drive up prices instead of reducing them and reflect little effort to leverage cost effective options.

Building a New Model

“We need a new model,” Luzzatti emphasizes, and US-Rx Care has delivered on its new model of pharmacy benefit management that includes clinical rigor in providing the right medications and accessing those medicines from lowest net cost sources to deliver needed treatment cost effectively, and in a fully fiduciary compliant operating model. There are many avenues that “increase profitability and revenue for traditional PBMs at the expense of the plan sponsor,” Luzzatti explains, “including by dispensing medications that are not the most cost effective or worse, not needed for the patient at all.” “The status quo in the industry is very light, cursory oversight, particularly when the risk holder is not the entity administering that risk (e.g., the PBM administering an employer self-insured benefit). There’s not an incentive to change medications or to dissuade from a high-cost drug in favor of a lower cost drug, because at the end of the day, most of the profits in the PBM industry come from dispensing high-cost medications. There are steps taken by US-Rx Care in line with its client’s fiduciary duty as plan sponsors that includes “educating members and prescribers on lower cost options plus good clinical decision-making through prior authorization, when applicable, to make sure that we do a thorough and rigorous clinical review,” Luzzatti explains.

Where does this get us? In terms of the benefit to plan sponsors, it not only ensures transparent and fiducial alignment, but also guarantees a holistic understanding of what’s going on in their own plans. “Most employers believe that there’s issues in cost and transparency with PBMs, but they also believe that it doesn’t exist in their plan. They have blinders on,” Luzzatti says.

Adding Visibility and Transparency


Further, what US-Rx Care strives for is complete transparency in its work for plan sponsors, from the point of conducting research for the most cost effective and safe drugs, enlisting prior authorization that is fiscally and clinically responsible, ensuring that there’s no overspend, and also providing the right medication for the right patients. Often, as Luzzatti explains, patients receive prescriptions for drugs they shouldn’t even be on, or are dosed incorrectly, or for which there are multiple therapy equivalents available at a fraction of the cost. All these factors fuel the current day problems related to cost and quality of care in the current PBM environment.

As an example of this, Luzzatti explains how US-RX Care has seen case after case of inappropriate utilization and waste around the GLP1 therapies for diabetes and weight loss. GLP1s have hit the top of the charts in spend for nearly every plan sponsor and growing exponentially. “We are seeing PBM criteria to access GLP1 therapy that have very limited restrictions or only require

that the provider check a few boxes on a form to obtain approval for coverage.” Upon review of the medical records in these cases, particularly requesting documentation for Hemoglobin A1C, a long term marker for diabetes control, US-Rx Care finds many individuals who not only have no history of ever being on a diabetes medication but don’t have diabetes at all. And the response from the PBM is simply that the doctor said the patient is diabetic only to get the medication approved for weight loss which may or may not have been approved for coverage under the plan. So, this points out a significant flaw in the typical PBM process, particularly because by any measure, as effective as they may be for the right patients, GLP1s are not first line therapy. There are many other highly effective options that work just as well for most individuals at a fraction of the cost.

One of the most rigorous activities that US-Rx Care facilitates for their clients is the type of investigative medical work that aligns the right treatment with proper diagnoses. By contrast, prior authorization in the traditional PBM model is often influenced by conflicting profit incentives for PBMs. Who profits when a prescription is dispensed? The PBM. One of many inherent and costly conflicts of interest. This costly dynamic does not exist in US-Rx Care’s fiduciary model, which is very liberating for plan sponsors knowing that they are working with a PBM that is a committed business partner, not an adversary, and that is contractually committed to working in the plan’s best interest always, not putting profits ahead of the plan.

“Employers need to wake up and the stakes couldn’t be higher. It really is becoming untenable, both in cost and from a legal standpoint. There is risk there for employers too,” Luzzatti explains. US-Rx Care meets plan sponsors, including employers, wherever they are in their PBM journey and always brings the clinical oversight, fiscal responsibility, and pharmacy access all plan sponsors expect to have from their PBM vendor, but is rarely seen in the traditional PBM model.

The genesis for the founding of US-Rx Care in 2007, after over 25 years of experience and learnings by the founders working in the at-risk health plan side of managed care, was the realization that a “deconflicted, fiscally responsible, clinically rich, pharmacy benefit management service was not available in the traditional PBM marketplace,” Luzzatti explains. One of the only of its kind, US-Rx Care has helped health plan sponsors large and small, in all parts of the US, reduce their pharmacy benefit spend by 30%-50% or more within the first 12 months of service through its unique model of fiduciary pharmacy benefit management. In the future Luzzatti looks to educate even more about the blinders that are still prevalent when it comes to pharmacy benefit managers. “We are helping employers maintain dramatic savings and cost reductions while actually improving quality of care because we are taking the time and care to leave no stone unturned and optimize access to medication therapy affordably and sustainably,” Luzzatti says. 



The pharmacy management solutions industry is navigating a period of significant transformation, driven by rising drug costs, increasing regulatory demands, and the imperative to improve patient outcomes.

Pharmacies face the dual challenge of managing complex operations while delivering high-quality, personalized care. Traditional systems often fall short, unable to keep pace with the evolving needs of the healthcare landscape. This has led to a surge in the adoption of advanced technologies aimed at optimizing pharmacy operations and enhancing patient experiences.

Emerging trends in the industry include the integration of data analytics, automation, and telehealth services. Data analytics enable pharmacies to make informed decisions by providing insights into prescription patterns, patient behaviors, and cost trends. Automation streamlines routine tasks, reducing administrative burdens and minimizing errors.

Amidst these challenges and trends, several companies are leading the charge, demonstrating exceptional innovation and impact. In this special edition, we shine a spotlight on the Top 10 Pharmacy Management Solution Providers of 2024. These companies are setting new standards in the industry, leveraging cutting-edge technology and forward-thinking strategies to address the most pressing issues facing pharmacies today. From comprehensive pharmacy management systems to advanced analytics platforms and telehealth solutions, the companies featured in this edition are making a significant difference.

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US-Rx Care

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For delivering unparalleled quality, excellence, and innovation, we recognize and celebrate 10 revolutionary Pharmacy Management Solution Providers that consistently showcase zeal and ingenuity for greater outcomes.

Wendy Jozal

Managing Editor



Renzo Luzzatti
President

Headquarters
Hollywood, FL

Website
us-rxcare.com

US-Rx Care is a pharmacy risk management organization providing fiduciary pharmacy benefit management services to self-insured employers, union trust funds, and government health plans of all sizes encompassing over 5 million insured individuals. At US-Rx Care, clients have access to proven pharmacy risk management programs and solutions that have consistently delivered reductions in pharmacy benefit spend by 30%-50% or more for at-risk health plan sponsors.