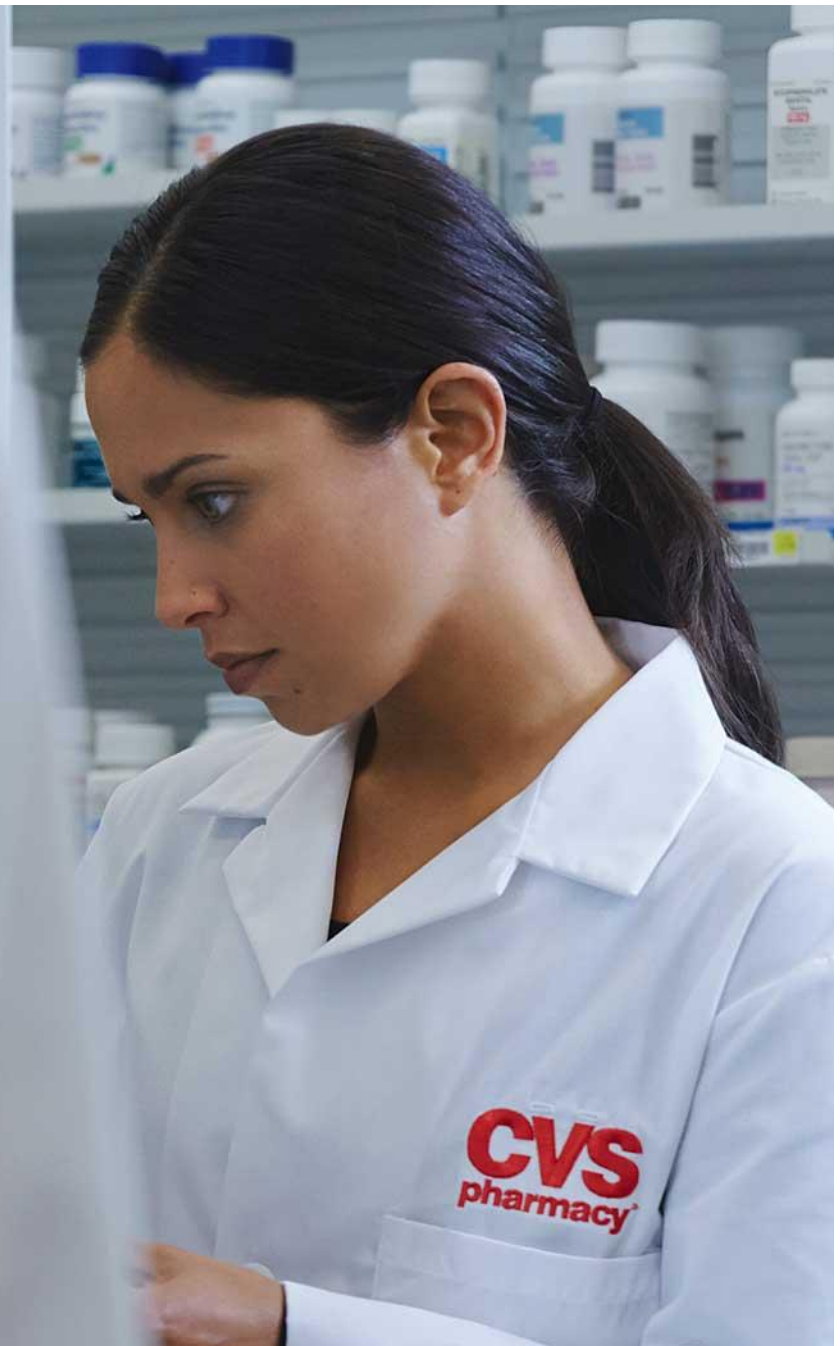


A Prescription for Savings: Medication Management and Improved Adherence

National Coalition on Health Care Forum
March 6, 2014

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Innovation

CVS
CAREMARK



1 in 2 Americans Has a Chronic Condition¹

Medication
is the first line
of therapy for
most chronic
conditions

BUT...

1/2
of patients
do not adhere
to their
medication
therapies¹

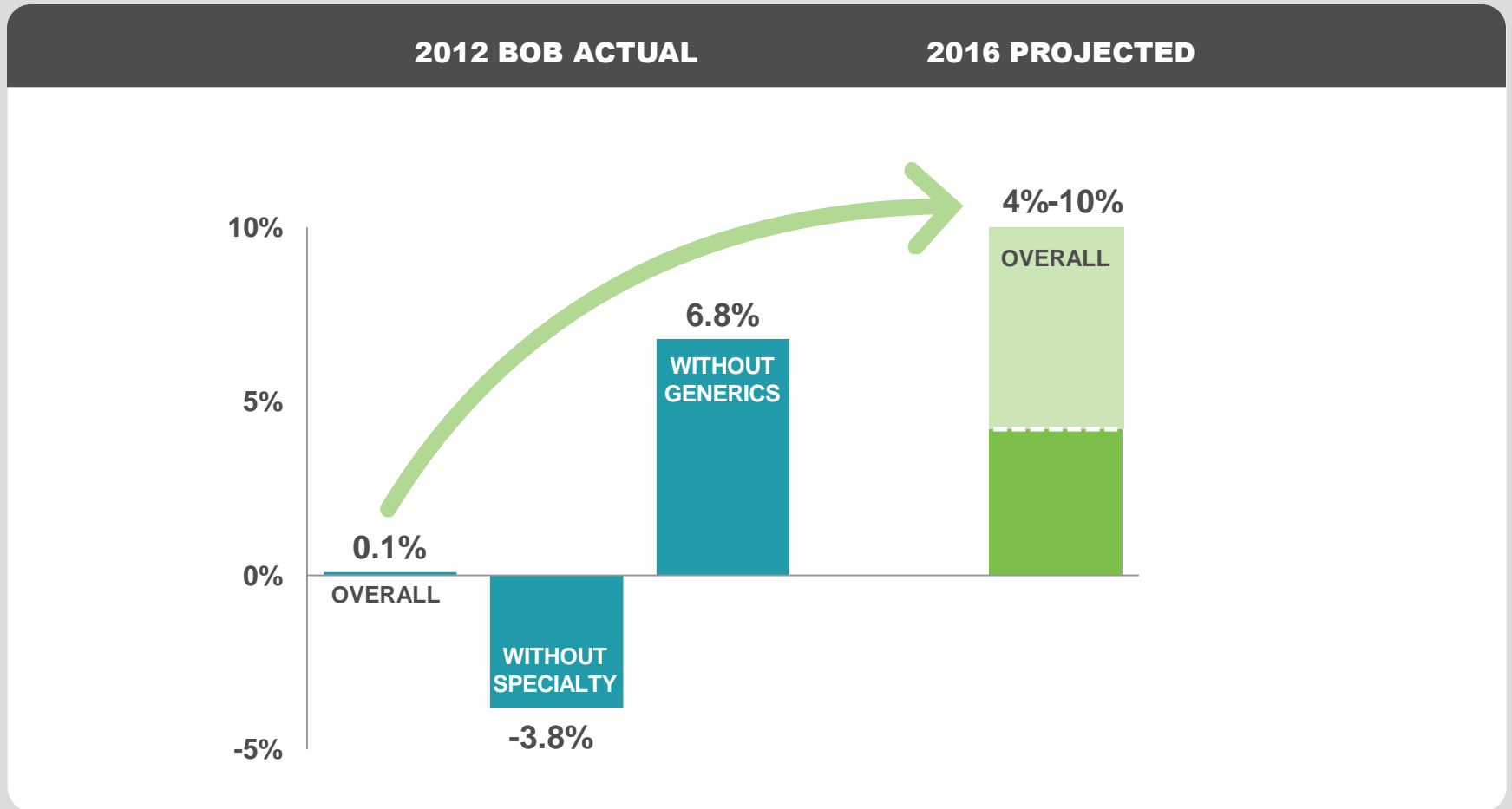
LEADING TO...

Higher risk for
adverse events,
resulting in
**\$290B in health
care costs²**

1. Cassil, Alwyn. Rising rates of chronic health conditions: What can be done? Center for studying health system change 2008; no.125.

2. DeVol, R., Bedroussian, A. An Unhealthy America: The Economic Burden of Chronic Disease. Milken Institute. October 2007.

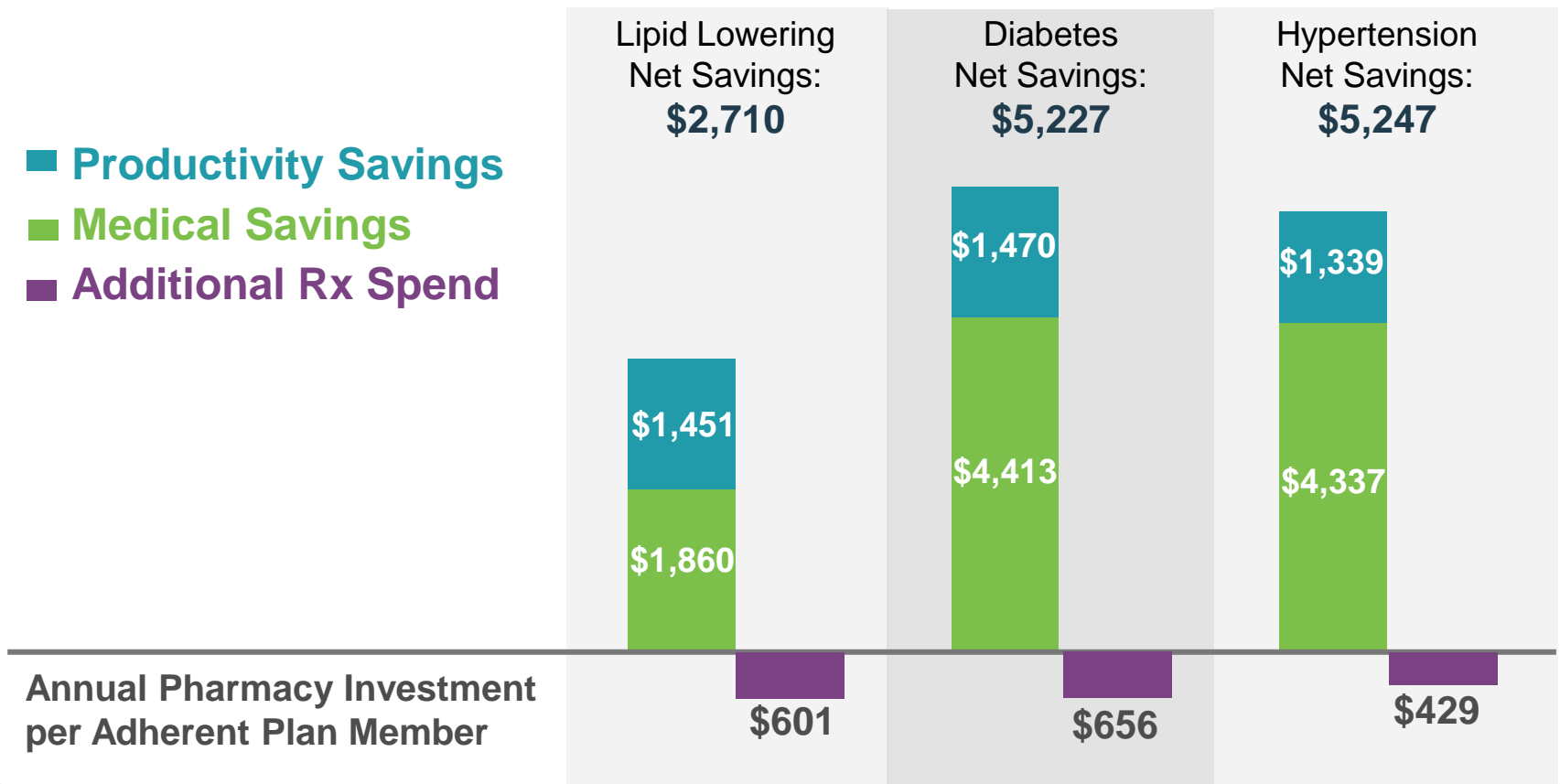
Return of Double-Digit Pharmacy Trend Projected Due to Explosion of Specialty, Lack of New Generics



Better Pharmacy Care: Investing in Adherence Improves Outcomes

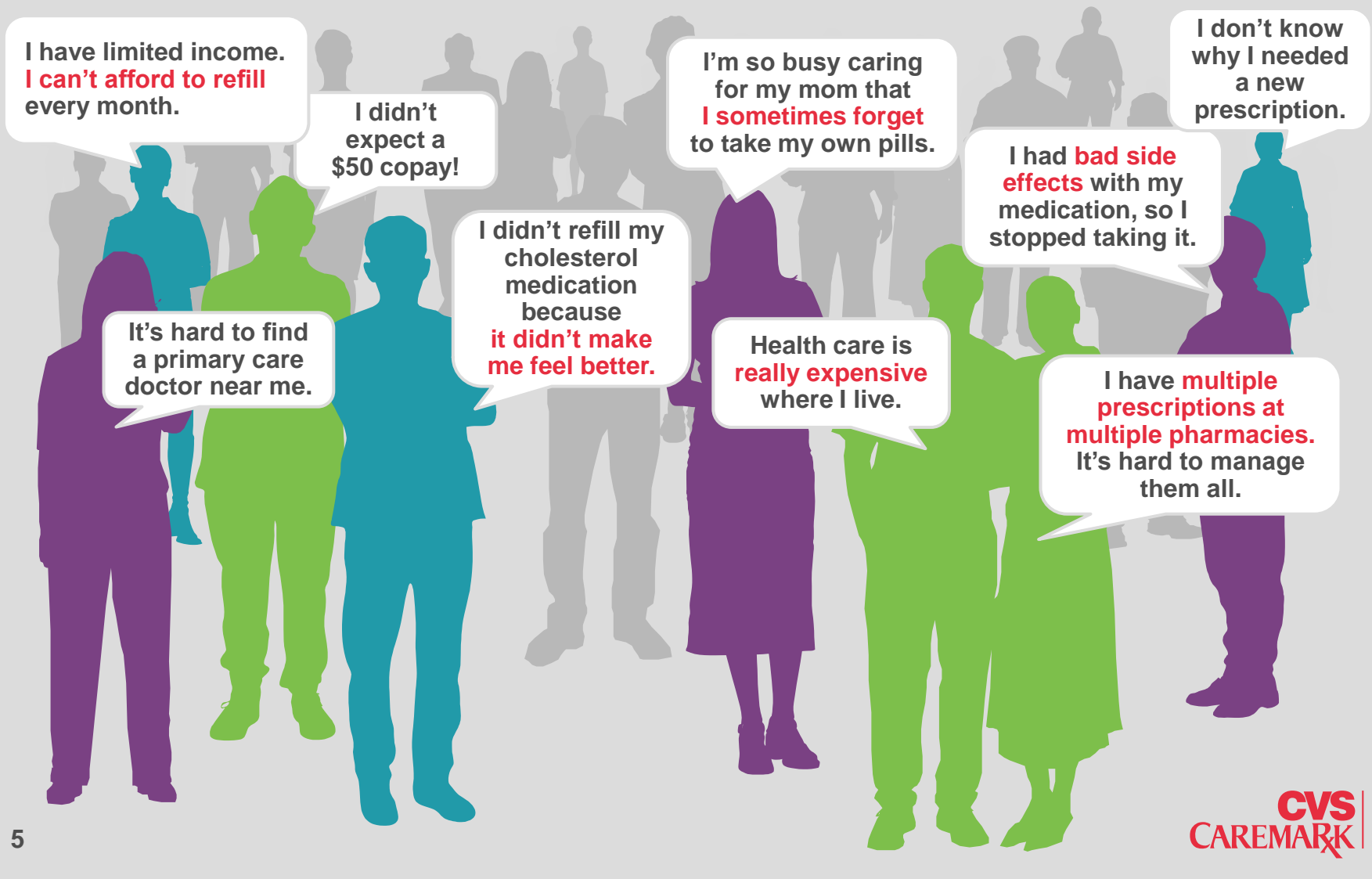
Medical and Productivity Savings (PMPY)

- Productivity Savings
- Medical Savings
- Additional Rx Spend



Sources: Roebuck MC, Liberman JN, Gemmill-Toyama M, Brennan TA. Medication adherence leads to lower health care use and costs despite increased drug spending. Health Affairs. 2011;30(1):91-99. Carls GS, Roebuck MC, Brennan TA, Slezak JA, Matlin OS, Gibson TB. Impact of medication adherence on worker productivity: an instrumental variables analysis in five chronic diseases. Joem. 2012 30489

Research Shows that Adherence is a Complex Problem with Many Potential Barriers



I have limited income. **I can't afford to refill** every month.

I didn't expect a \$50 copay!

I'm so busy caring for my mom that **I sometimes forget** to take my own pills.

I don't know why I needed a new prescription.

I had **bad side effects** with my medication, so I stopped taking it.

It's hard to find a primary care doctor near me.

I didn't refill my cholesterol medication because **it didn't make me feel better.**

Health care is **really expensive** where I live.

I have **multiple prescriptions at multiple pharmacies.** It's hard to manage them all.

This Complex Problem Requires the Engagement of Key Stakeholders

How do we best help **patients**?

Targeted interventions **1.75X** more effective than non-targeted interventions²

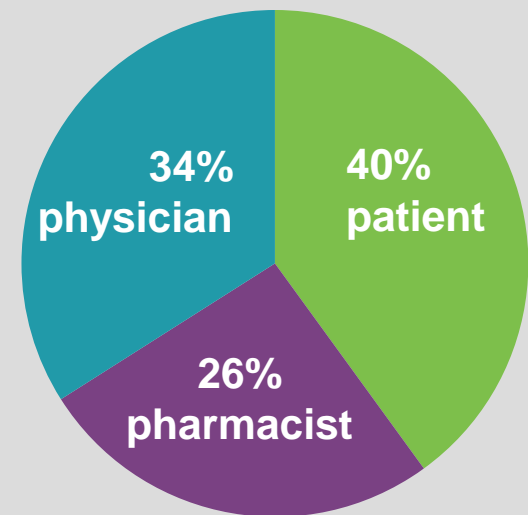
How do we leverage **pharmacists**?

Face-to-face pharmacist counseling
3X more effective at changing behavior³

How can we support **physicians**?

68% of physicians are interested in EHR notices if patients are non-adherent⁴

RELATIVE INFLUENCE ON MEDICATION PERSISTENCE¹



1. Brown University/CVS Caremark collaboration, preliminary results, 2012. 2. Targeting Cardiovascular Medication Adherence Interventions, Journal of the American Pharmacists Association, May/June 2012. 3. Cutrona SL, Choudhry NK, Fischer MA, Servi A, Liberman JN, Brennan T, Shrank WH. Modes of Delivery for Interventions to Improve Cardiovascular Medication Adherence: A Systematic Review. AM J Manag Care. 2010;16(12):929-942. Supplemental analysis. 4. CVS Caremark market research, 2012.

Our Unique Model Provides Resources and Support Through Multiple Touchpoints



We Engage Members in Every Channel: CVS/pharmacy, Mail Service, Other Retailers

FACE TO FACE at **CVS/pharmacy**[®]



- Members build relationships with pharmacists at one of 7,500+ local stores
- Pharmacists initiate conversations when members are already focused on their therapy
- Conversations are typically brief and easily fit into members' pharmacy visits

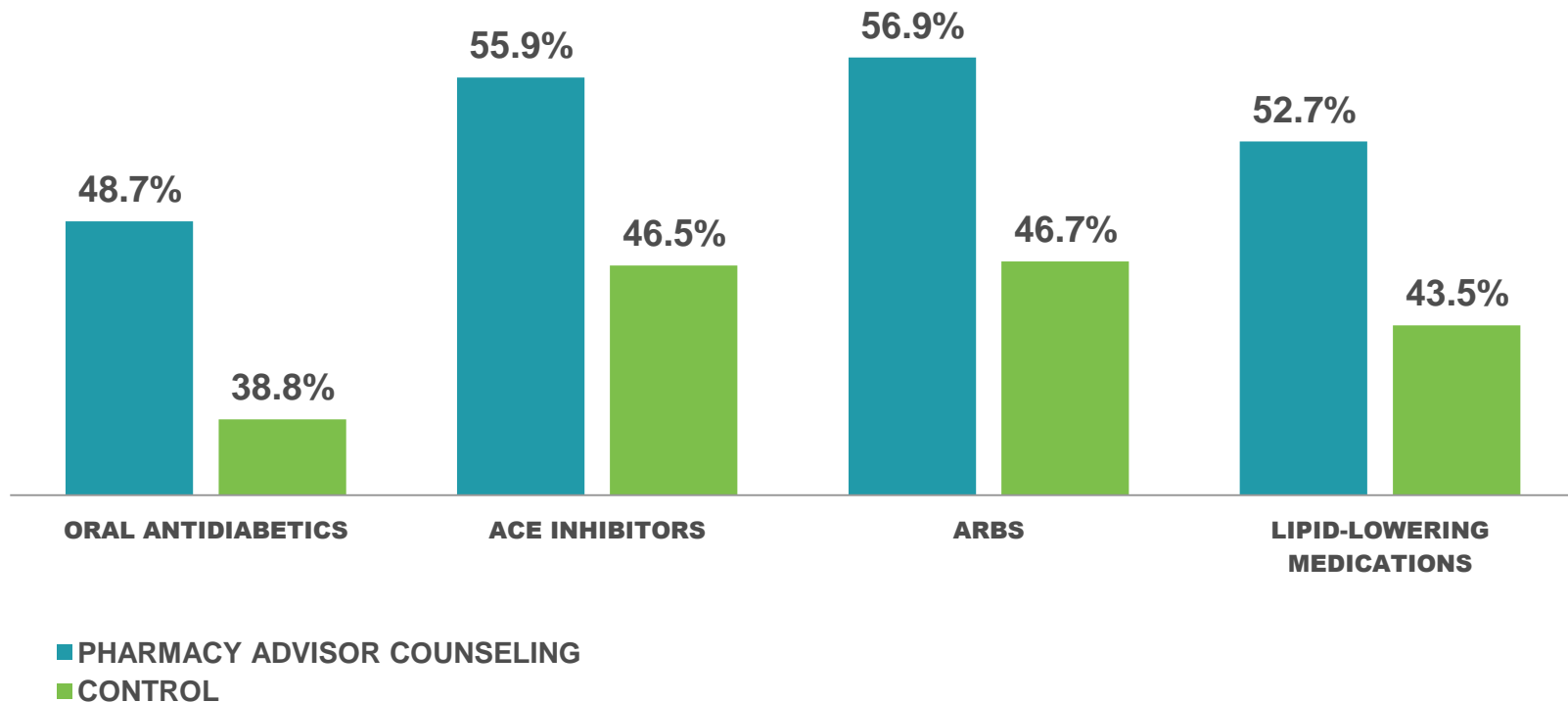
BY PHONE for mail and other retailers



- Counseling by a dedicated team of experts
- Based on our experience and research, we initiate counseling when members are most likely to need our support
- Member preferences for time and day are tracked and used to time outreach
- Results are tracked and used to identify best practices

Groundbreaking Advances in Adherence Achieved with Pharmacy Advisor[®]

NON-ADHERENT MEMBERS WITH DIABETES WHO MOVED TO OPTIMAL ADHERENCE^{1*}



Our Ongoing Investment in New Ways to Drive Adherence

WHO



Who is at risk for non-adherence?

HOW



How best to communicate?

WHAT

What strategies will be most effective?



REFILL
SYNCHRONIZATION



SPECTRUM OF
REMINDER DEVICES



DIGITAL TOOLS AND
MOBILE APPS



PERSONALIZED
MEDICATION REVIEWS



PATIENT-CENTRIC
LABELING, BOTTLING AND
DOSING

Applying the Right Strategies to Effectively Engage Members

CURRENT STRATEGY: MAKE LATE-TO-FILL CALLS ACROSS ENTIRE POPULATION



Adherence lift: 1.2%

Applying the Right Strategies to Effectively Engage Members (cont.)

PREDICTIVE MODELING: APPLY DIFFERENT INTERVENTION STRATEGIES TO EACH ADHERENCE BAND AND SHIFT RESOURCES TO MEMBERS LIKELY TO RESPOND

1. Segment the population based on predictive modeling derived adherence bands
2. Apply the right intervention strategies in the bands with the greatest potential for impact



LOW-COST INTERVENTIONS



PROACTIVE CALL



LATE-TO-FILL CALL

Adherence lift: 3.0%

As Therapeutic Complexity Increases, Medication Adherence Decreases

The average statin user:

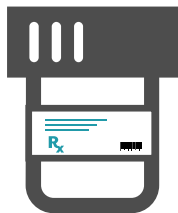
- Takes 11 medications, nine of which are maintenance medications
- Makes five visits to the pharmacy per month
- Has at least two different prescribers



Help Improve Patient Care by Design

NEW PACKAGING

- Reduce the number of doses per day
- Reduce missed or incorrectly timed doses



NEW LABELING

- Help patients understand the importance of taking medications as prescribed
- Help patients follow instructions correctly



ALIGNING PRESCRIPTIONS

- Reduce trips to the pharmacy
- Reduce likelihood that refills will be late or forgotten



Engaging Members and Improving Adherence with Digital Media

CAN A MOBILE APP SERVE AS A MEDICATION REMINDER TOOL?



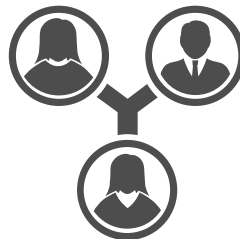
Offers rewards to members who engage with the app and report their daily medication adherence

CAN REWARDS AND INCENTIVES HELP MEMBERS STAY ADHERENT?



Members log their medication adherence and earn points that can be redeemed for prizes

CAN REMINDERS AND SOCIAL SUPPORT INCREASE ADHERENCE?



Members access a virtual pillbox to set reminders and to engage someone to help them stay adherent

In-Store Health Events Support Communities with Underserved, Diverse Populations

YOU CARE. WE CARE.

CVS/pharmacy has offered free, comprehensive health screenings in major cities for eight years



- 40% of attendees are uninsured
- Measure cholesterol and blood sugar levels
- Assess risk for chronic diseases like hypertension, osteoporosis and diabetes
- Helps patients seek out the appropriate medical care

160,000

PATIENTS RECEIVED SCREENINGS IN 2012

53%

HAD AT LEAST ONE ABNORMAL RESULT

47%

HAD A RISK FACTOR FOR HEART DISEASE

32%

HAD ABNORMAL GLUCOSE READINGS

Engaging Physicians as Adherence Advocates

eRx and EMR systems

- Inform physicians of patient adherence to prescribed therapies



Prescriber “report cards”

- Provide key patient adherence opportunities



Deeper collaboration with physicians on highest risk patients

