

# Reference Pricing Prescription Drugs by Therapeutic Class Update

Pension and Health Benefits Committee

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# Background



Expands our  
reference  
pricing  
program



Provides  
transparency  
in drug  
options and  
cost



PBM required  
to administer  
reference  
pricing



Lowers /  
stabilizes Rx  
drug costs

# PBM Tasks

## Establish

Therapeutic  
drug classes

## Program

PBM claims  
processing  
system

## Develop

Marketing  
materials,  
policies and  
procedures

## Implement

Ongoing  
program  
management

# Vendor Tasks

## Marketing

Assist with the marketing to members, pharmacies and physicians

## Member Support

Create call center training materials, talking points and FAQs

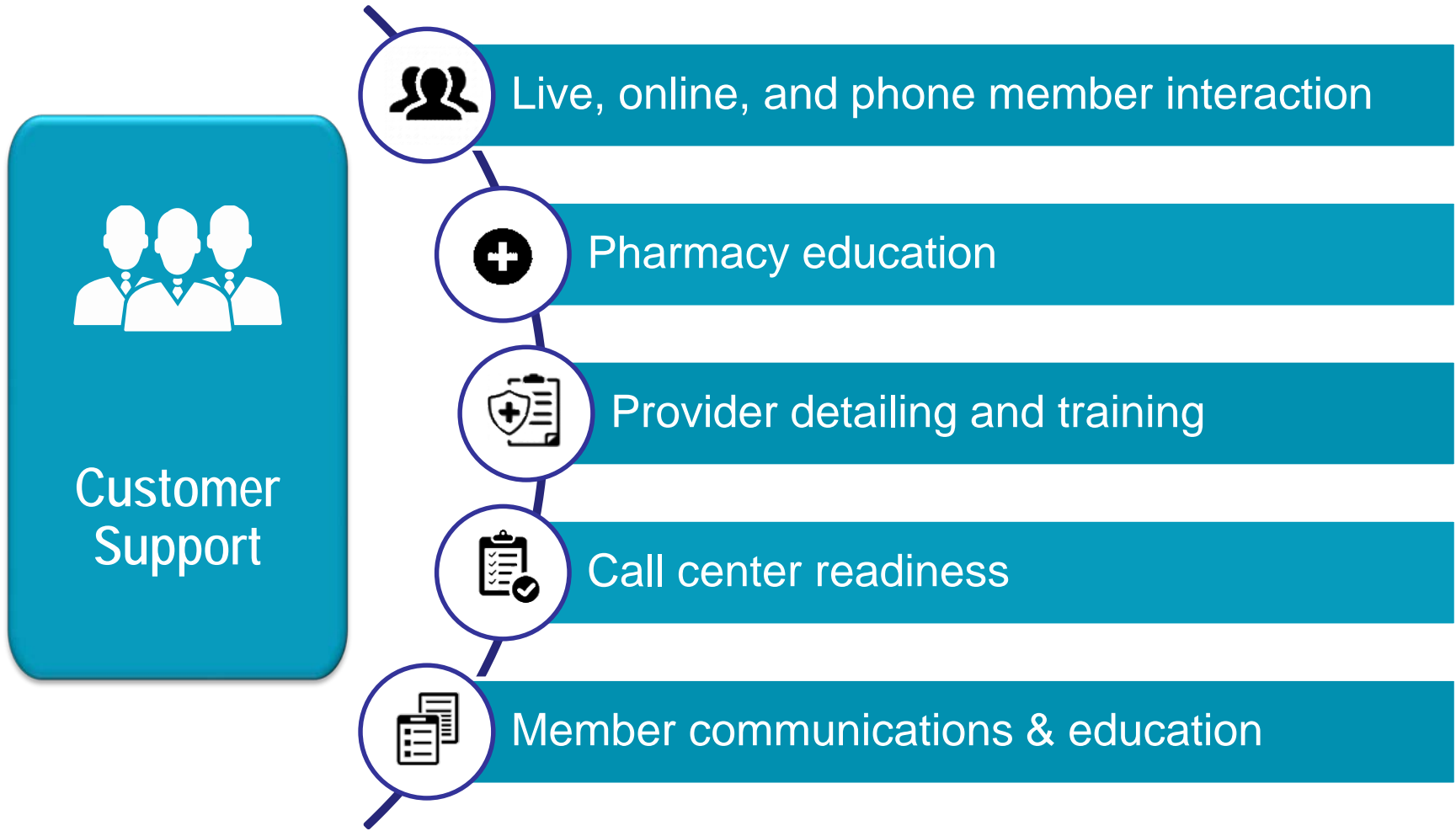
## Clinical Support

Support the development and evaluation of drug classes for clinical/financial impact

## Program Evaluation and Quality Assurance

Provide ongoing program evaluation and project management

# Customer Focus



# Reference Pricing Administration Options

**1. PBM alone**

**2. PBM and  
governmental entity**

**3. PBM and for-profit  
entity**

**4. Solicitation**

# Next Steps



**Implement Option 2**

**Member Engagement &  
Communication**

**Periodic Updates on 2019  
& 2020 Strategy**

**Continue Seeking  
Solutions**