

Reference Pricing Program Update

Pension and Health Benefits Committee

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Background



CalPERS
established
three drug
classes and
subclasses



Pilot
program for
the three
classes



Reference
pricing
program
solicitation

Reference Pricing Program Components

Components	Potential Implementing Organizations
 <p>Data Research on Drug Classes <i>Research & analysis to establish the therapeutic drug class and subclass list feasible for reference pricing</i></p>	<ul style="list-style-type: none"> ➤ CalPERS ➤ UC Berkeley ➤ PBM ➤ Vendor
 <p>Claims System <i>Implement claims system, clinical and financial analysis, and claims evaluation, including policies and procedures</i></p>	<ul style="list-style-type: none"> ➤ PBM ➤ CalPERS
 <p>Member, Prescriber, Pharmacy Outreach & Customer Service <i>Develop marketing and educational marketing materials such as FAQs, training and education, and call center support materials</i></p>	<ul style="list-style-type: none"> ➤ PBM ➤ Vendor
 <p>Appeals & Patient Safety <i>Implement processes for member appeals and member service and support</i></p>	<ul style="list-style-type: none"> ➤ PBM ➤ CalPERS
 <p>Monitoring and Reporting <i>Evaluate program including member satisfaction and adherence, and cost savings impact</i></p>	<ul style="list-style-type: none"> ➤ PBM ➤ Vendor

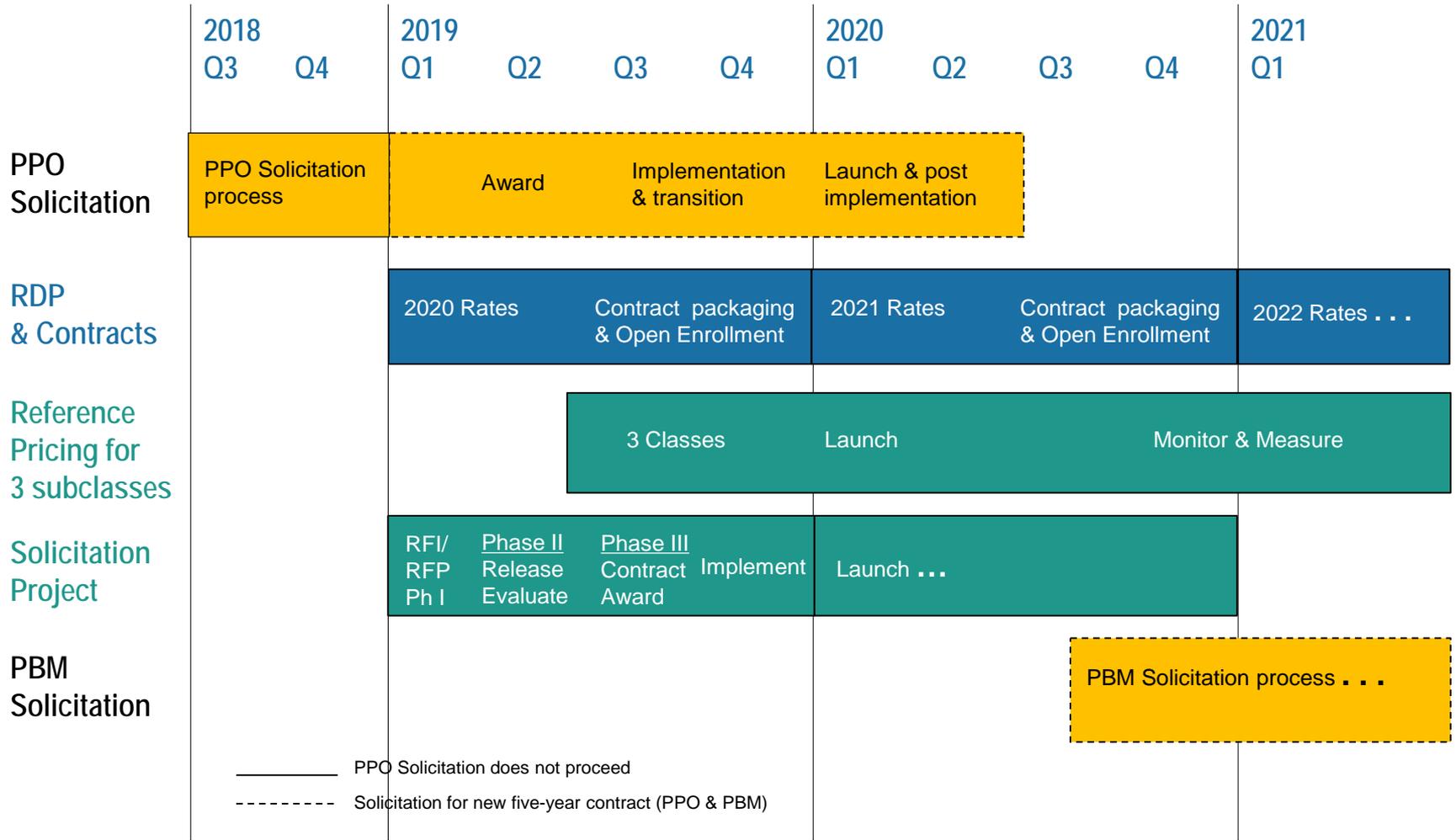
Benefits

Pilot

- Minimal member disruption
- Shortest implementation
- Saves \$2.5 million

Project

- More drug classes
- Multiple year implementation
- Saves up to \$15 million



Summary

