

DST's Medical Drug Management Service™

What is Your Strategy for Controlling Specialty Medical Drug Cost?

Medical drug claim expenditures are growing at exponential rates, up over 20 percent since 2008, and thus are one of the top concerns of most health plans. Drugs in this class often exceed \$100,000 per episode of care for a single patient in a year. By contrast, traditional therapies treating high blood pressure, high cholesterol and depression might cost a health plan \$1,500 per year. While retail prescription drug trends are stabilizing for the first time in many years, claims produced by drugs called biologics or specialty drugs are showing double digit increases across the industry.

To date, the pharmacy industry has done a good job editing and monitoring utilization through their pharmacy claims processing systems. But because the medical claim billing systems have not moved forward with the ability to validate the proper use of drugs and verify the quantity or units of drugs submitted in the claim, 70–80 percent of these specialty drug costs remain on the medical side of the health benefit.

DST's Medical Drug Management Service (MDMS) helps health plans edit and pay medical drug claims properly without disrupting their current system. The powerful data support provided through these services will move health plans forward in our current environment where cost containment is mandated by healthcare reform and other market forces.



Current Industry Challenges

- *Since 2008, specialty/biotech drug costs have increased 20.9 percent*
- *Most plans are overpaying 15–20 percent on specialty/biotech medical drug claims*
- *Four percent of health plan membership accounts for \$78 billion dollars in specialty/biotech drug cost*
- *With 600–800 drugs in the specialty/biotech drug pipeline, utilization and cost are projected to increase*
- *Manual processing for specialty/biotech medical claim review*

How can DST's MDMS help manage your medical drug cost?

- MDMS applies the precision of our time-proven pharmacy claim management techniques to medical drug claims
- MDMS applies customizable clinical and pricing rules for drugs with HCPCS (Healthcare Common Procedure Coding System) Level II codes
- MDMS automatically identifies appropriate intervention opportunities
- MDMS is an automated, highly scalable solution without manual intervention

DST's MDMS = Proven Savings Opportunities

DST's MDMS will complement a health plan's system by applying a structured approach to pricing administration, data management and compliance editing. DST's MDMS facilitates the capability of NDC level pricing, rebate administration, integrated pharmacy and medical data reporting, and modeling.

This will provide:

- Clean claims that require less time and money for claim processing
- The ability to monitor the effectiveness of your medical policy
- The ability to review persistency and adherence data, allowing health plans to impact clinical outcomes
- Enforcement of detailed clinical edits that protect patient safety and lower healthcare costs
- Assurance of proper payment at a time when all plans are working to decrease costs

What this means to you....

- Quick turnaround savings from accurately priced claims
- Better control of provider processes made possible by value-added analytics
- Better control of patient care through clinically appropriate editing

Why do this now?

- You will have a platform for managing the large number of future specialty products in the FDA pipeline
- As a current DST Health Solutions customer, all the data and connectivity is already in place to support DST's MDMS program
- You will have detailed information to support rebate contracts with manufacturers as they become available
- You will have information to support:
 - Future benefit changes
 - Future provider contracting changes

Contact Us

For more information on DST's Medical Drug Management Service (MDMS), call DST Health Solutions at 800.272.4799 or visit us at www.dsthealthsolutions.com.

2500 Corporate Drive
Birmingham, AL 35242
205.437.6000