



MUNICIPALITY CASE STUDY

Rx Carve-Out



CLIENT SITUATION:

Administration/Funding:	Carved-In/Self-Funded
Incumbent:	Horizon BCBS
Employees:	1350
Members:	2852
Region:	Northeast
Generic Fill Rate w/BCBS:	42%
Generic Fill Rate w/HISI:	81%
MFG Rebates:	\$48,000

(HISI) SOLUTIONS:

A detailed claims analysis identified cost-savings opportunities through implementation of the following HISI Prescription Programs:

- ✓ **No benefit or program changes (first year)**
- ✓ **Step Therapy – Grandfathered**
- ✓ **Nexium OTC Strategy**

Refer to side two for additional information regarding these programs.

THE RESULTS: *The realized cost savings during the first 10 years with HISI:*

CASE STUDY RESULTS

2010 SAVINGS:

\$8,587,933	Horizon BCBS less rebate
\$7,045,488	HISI
\$280,335	Rebate
\$6,765,153	Actual cost
\$1,822,780	1st Year Savings
21%	Percent of savings

2014 SAVINGS:

\$13,461,206	Horizon BCBS less rebate
\$5,006,169	HISI
\$214,998	Rebate
\$4,791,171	Actual cost
\$8,670,035	5th Year Savings
64%	Percent of savings

2018 SAVINGS:

\$21,054,336	Horizon BCBS less rebate
\$4,610,054	HISI
\$1,069,884	Rebate
\$3,540,170	Actual cost
\$17,514,165	9th Year Savings
83%	Percent of savings

2011 SAVINGS:

\$9,610,685	Horizon BCBS less rebate
\$7,447,919	HISI
\$256,102	Rebate
\$7,191,817	Actual cost
\$2,418,868	2nd Year Savings
25%	Percent of savings

2015 SAVINGS:

\$15,057,507	Horizon BCBS less rebate
\$4,833,055	HISI
\$228,229	Rebate
\$4,604,826	Actual cost
\$10,452,681	6th Year Savings
69%	Percent of savings

2019 SAVINGS:

\$23,534,364	Horizon BCBS less rebate
\$4,277,958	HISI
\$1,268,683	Rebate
\$3,009,275	Actual cost
\$20,525,089	10th Year Savings
87%	Percent of savings

2012 SAVINGS:

\$10,754,217	Horizon BCBS less rebate
\$6,237,221	HISI
\$171,726	Rebate
\$6,065,495	Actual cost
\$4,688,722	3rd Year Savings
44%	Percent of savings

2016 SAVINGS:

\$16,840,605	Horizon BCBS less rebate
\$4,860,255	HISI
\$228,229	Rebate
\$4,632,026	Actual cost
\$12,208,579	7th Year Savings
72%	Percent of savings

2013 SAVINGS:

\$12,032,536	Horizon BCBS less rebate
\$4,466,052	HISI
\$174,371	Rebate
\$4,291,681	Actual cost
\$7,740,855	4th Year Savings
64%	Percent of savings

2017 SAVINGS:

\$18,831,722	Horizon BCBS less rebate
\$4,801,572	HISI
\$762,711	Rebate
\$4,038,860	Actual cost
\$14,792,862	8th Year Savings
79%	Percent of savings



TOTAL TEN (10) YEAR SAVINGS = **\$100,834,636**