State-backed pharmacy benefit solutions

A case study of Oregon and Washington’s experience

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Outline

• Origins: How and why Oregon and Washington created a PBM solution to address increasing drug costs
• State challenges with traditional PBM services
• ArrayRx approach and experience
Created for states, by states

OPDP
Oregon Discount Card Program

WPDP
Washington Discount Card Program

NW Prescription Drug Consortium

Workers’ Comp Program

Fee-for-service Medicaid (clinical services)

Rebrand to ArrayRx

PBM services

ASO rebate services

Voucher services

Managed Medicaid

Launch of new websites

Nevada joins

Connecticut joins

Pharmacy services are complex and confusing
ArrayRx approach

- **Operate** complete and true transparency in state prescription drug purchasing and programs
- **Procured** contractors who demonstrate the flexibility and shared values of ArrayRx
- **Govern** the ArrayRx programs to ensure the contractors are responsive to purchasing states and member organizations
- **Leverage** the ArrayRx Inter-governmental Agreement
ArrayRx method

• **Established procurement standards and governance process**
  – Regularly scheduled public procurements
  – State agency procurement office oversight
  – State legal sufficiency review

• **Partner with states and local governments to join as members**
  – Statutory approval to conduct multi-state agreements
  – Exercise governance over services that are provided
  – Steering committee oversight by member states
  – Collaborate to prioritize projects, programs and initiatives

• **Oversee and direct the performance of contractor and subcontractors**
  – Organizational and financial performance guarantees
  – Extensive audit rights
ArrayRx operating principles

**Predictability**
- Fixed administration fee
- Aggressive network guarantees
- Most favored nation

**Transparency**
- Pass-through pricing
- 100% rebate pass-through
- Comprehensive reporting

**Auditability**
- State oversight and governance
- Annual market checks
- Financial audits

= Working for states
Our vision:
To be the most trusted pharmacy solutions provider in the industry
Over a decade of sustained growth

More than 650,000 people served by public employee, commercial employer, Managed Medicaid, and facility programs
Value of pass-through over-performance

$155 Million in over-performance savings since 2018

Claim cost (in millions)

Over-performance savings (in millions)
Rebate Pass Through

• From 2016 to present we have passed through $523 million in rebates to our participating programs (over $100 million/year)
Pharmacy solutions for public purchasers

Multi-state collaboration

Best practices

Inter-governmental agreements
Ongoing initiatives

- Developing options for managing high-cost therapeutics
- Investigating approaches that address pharmaceutical supply chain
- Seeking out innovation with valued partners
- Addressing pharmacy access and pharmacy deserts

All public sector entities can join as purchasing members via Inter-Governmental Agreement
Email us at: info@arrayrxsolutions.com

Learn more at
ArrayRxSolutions.com