



May 1, 2021 PDL Pharmacy Benefit Updates

United
Healthcare®

Agenda and featured presenters



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- Decision Summary
- Key Pharmacy Benefit Updates
 - Growing Market Challenges
 - Continuous Coverage Evaluation
 - Brand for generic update
 - Excluding brands with generic equivalents
 - Indication based coverage
 - Biosimilar Updates
 - COVID-19 Vaccines
- Additional Advantage and Traditional PDL Pharmacy Benefit Updates
 - Clinical Program Updates
- Consumer Mailings and Opt-Out



Decision definition key

Key	Decision	Definition
2→1	Down-tiers	Down-tiers refer to medications that move to a lower tier, which can occur at any time throughout the year to provide consumers with immediate cost savings.
2→3 3→4	Up-tiers	Up-tiers refer to medications that move to a higher tier because they offer less health care value (either clinically and/or financially) than similar medications in their therapeutic classes.
3	New Benefit Coverage	New tier placements occur for medications that have been previously excluded at launch or excluded, but now offer sufficient health care value to have a tier placement.
X	Exclusions	We do not make the decision to exclude medications from benefit coverage lightly. A medication is only excluded when it offers no clinical value over other options in its class and its exclusion can be leveraged to achieve significant savings for our clients while preserving affordable choices for consumers.
X	Continued Exclusions (previously excluded at launch)	These exclusions will have little to no consumer impact since the medication has been excluded at launch.
STEP	Step Therapy	Step Therapy directs consumers to try a lower-cost medication (known as Step 1) before progressing to a higher-cost alternative (known as Step 2).
SL	Supply Limits	Supply Limits establish the maximum quantity of drug that is covered per cost share or in a specified timeframe.
MN	Prior Authorization/ Medical Necessity	Evaluates the clinical appropriateness of a medication in terms of condition being treated, type of medication, frequency, and duration.
N	Notification	Notification requires physicians provide additional clinical information to verify consumer benefit coverage.
R&S	Refill and Save	Members can save money on their cost share for select drugs if they remain adherent and refill on time. Program eligibility may vary.



Summary of pharmacy benefit updates

		UnitedHealthcare PDL	
		Advantage	Traditional
2→1	Down-Tiers	1	0
2→3/4	Up-Tiers	6	0
3	New Tier Placements (previously excluded from coverage)	5	5
X	Strategic Exclusions ¹ (33 multi-source brands)	46	46
X	Continued Exclusions ¹ (previously excluded at launch)	17	17
X	Bulk Ingredient Exclusions	0	0
SL	New / Revised Supply Limits ¹	5	5
MN	Medical Necessity ¹	5	5
STEP	Step Therapy ¹	1	1
N	Notification ¹	3	3

¹ Applies to customers who implement Exclusions, Step Therapy, Medical Necessity, Notification or Supply Limits

2→1 In addition, **29** other consumer positive changes (downtiers, new tier placements) have already been implemented prior to release of this May PDL update.





Growing market challenges

More and more medications are available today, and more and more people are taking them.



Since 2019, more than 140 new medications were brought to market¹

Pharmaceutical manufacturers spent \$30B² on physician marketing and DTC advertising

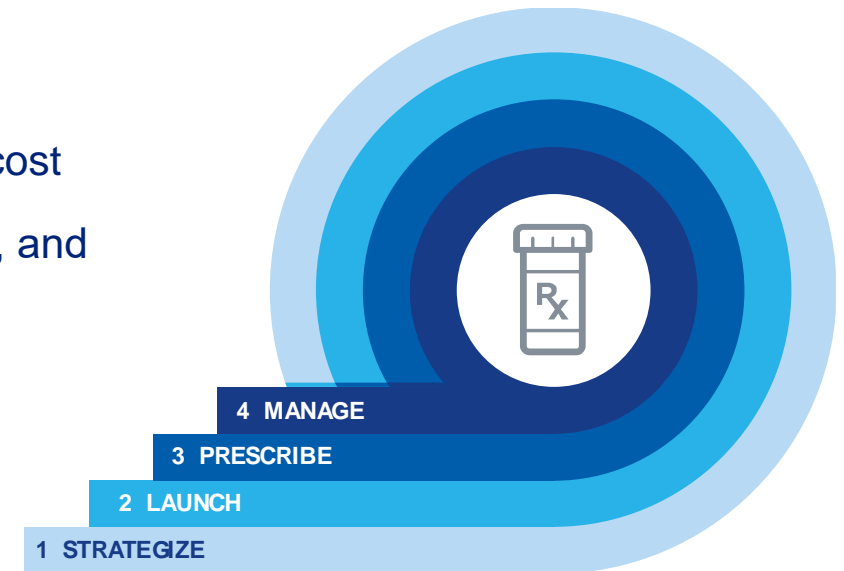
More than 150 additional medications are expected to launch by the end of 2021¹



Now more than ever, it's critical to:

- Help members choose the right medications at the lowest cost
- Continually monitor each medication's safety, use and cost, and partner with care providers

The journey of each medication is a rigorous, 4-step process.



¹ <https://www.accessdata.fda.gov/scripts/cder/daf/index.cfm>

²Source: <https://arstechnica.com/science/2019/01/healthcare-industry-spends-30b-on-marketing-most-of-it-goes-to-doctors/>

How we evaluate coverage options

UnitedHealthcare P&T Committee

1

Who?

- Internal Medicine/Pediatrics
- Cardiology
- Geriatrics
- Gastroenterology
- Endocrinology
- Rheumatology
- Hematology/Oncology
- Obstetrics & Gynecology
- Psychiatry
- Consultation with thought leaders

Review and Determine

P&T Committee reviews new medications entering the market and existing products for **clinical efficacy and safety compared to other therapies**

Evaluations look at **active ingredients, indications** and whether products are **therapeutically equivalent to alternatives** covered or those with OTC options

Prescription Drug List (PDL) Management Committee Decision Making Process

2

- **P&T Committee**
 - Drug designations/place in therapy
- **Utilization & Financial Evaluation**
 - Review market share, trends and cost comparisons
- **Medical & Pharmacy Evaluation**
 - Evaluate pharmacy information including adherence, time to refill and discontinuation rates
 - Evaluate medical information including lab results (e.g. A1C), medical diagnoses
- **Pharmacoeconomic Review**
 - Evaluate both the clinical information and the cost and quality of the drug.
- **Market Feedback**
 - Review member and provider NPS
 - Consult with Thought-leaders



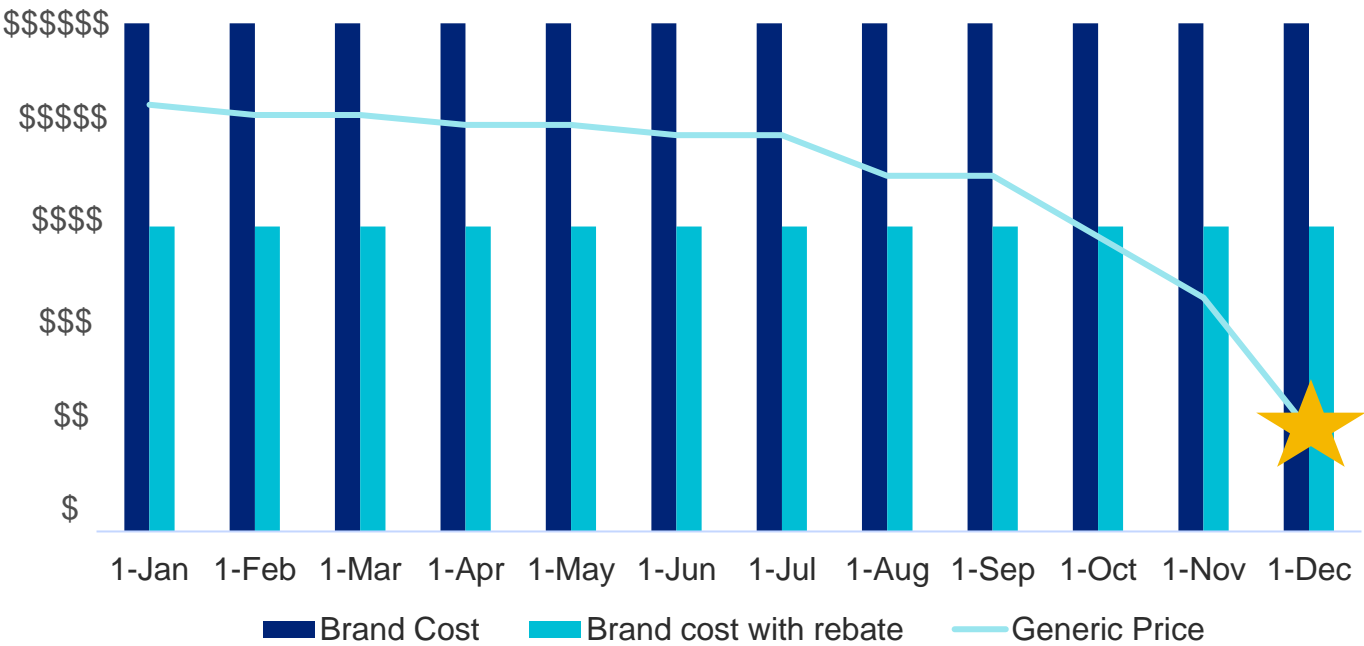


Continuous coverage evaluation

Brand for generic update

Continuously evaluating drug pricing dynamics determines the right timing to modify the strategy.

The generic prices of Syprine, Xeloda, and Estrace have dropped dramatically warranting a move from exclusion to coverage.

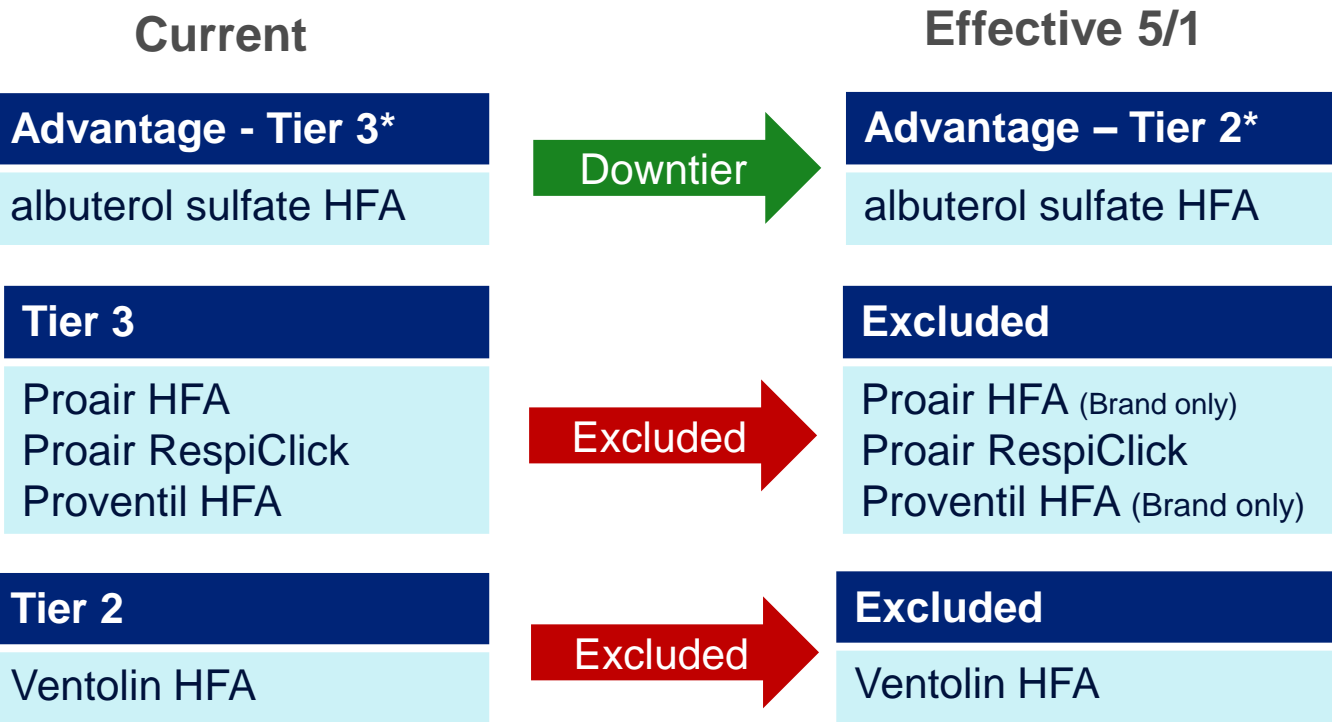


Changes recently made:	
Previously excluded generics that are now covered:	
• capecitabine (generic Xeloda)	1
• estradiol vaginal cream (generic Estrace)	Adv: 3 Trad: 1
• trientine hydrochloride (generic Syprine)	Adv: 3 Trad: 1
Brands moving to exclusion:	
• Estrace vaginal cream (Brand only)	X
• Syprine (Brand only)	X
• Xeloda (Brand only)	X



Continued brand for generic update

- Limited disruption due to one-time use (approx. 70%).
- Refills are typically obtained on an as needed basis (on average 90-day gap in fills).
- New prescription generally not needed.



PDL Changes	
albuterol sulfate HFA (generic for ProAir HFA and Proventil HFA)	Advantage - Tier 2*
Proair HFA (Brand only)	X
Proair RespiClick	X
Proventil HFA (Brand only)	X
Ventolin HFA	X

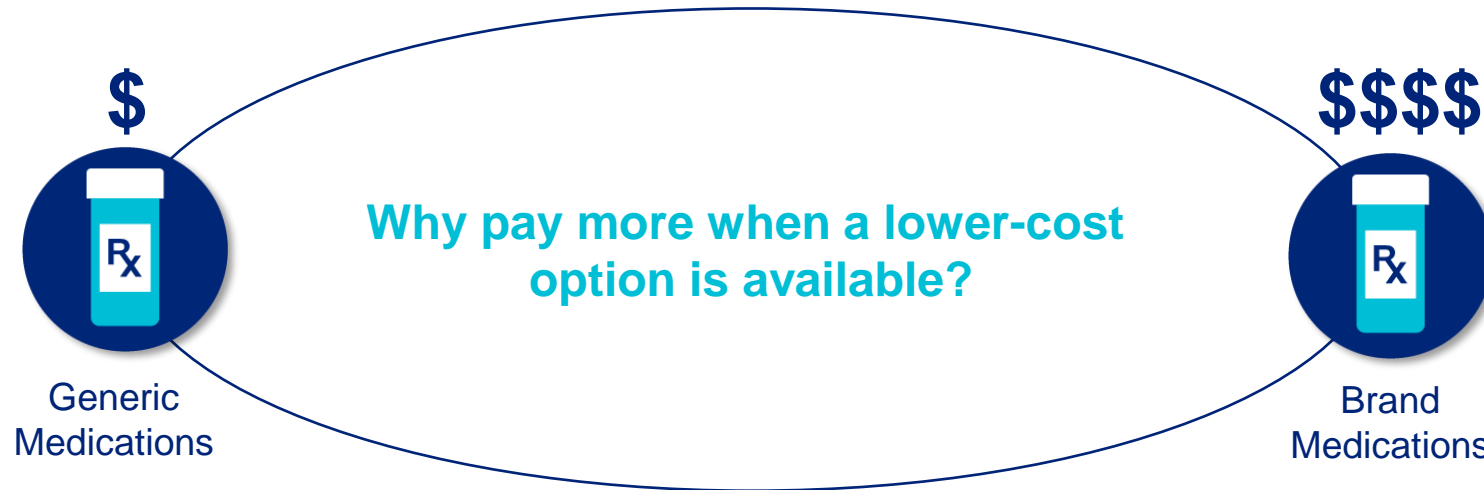


*Traditional PDL remains covered in Tier 1

Excluding brands with generic equivalents

Brand medications offer no clinical value over their generic equivalents.

33 brand medications will be excluded as part of our ongoing monitoring of medication costs.



A new prescription is generally not needed, and member impact is very limited as pharmacist substitutions will ensure continuity of care.



Excluding brands with generic equivalents

Therapeutic Class	Excluded Products
Benign prostatic hypertrophy	Uroxatral (alfuzosin) extended-release tablet
Blood Disorders	Amicar (aminocaproic acid) oral solution, tablets
Cancer	Aromasin (exemestane) tablets
	Fareston (toremifene) tablet
	Tarceva (erlotinib) tablets
	Temodar (temozolomide) capsules
Contraceptives	Seasonique (levonorgestrel/ethinyl estradiol) tablets
Diabetes	Riomet (metformin) oral solution
Elevated Parathyroid Hormone	Sensipar (cinacalcet) tablet
Glaucoma	Travatan Z (travoprost) 0.004% ophthalmic solution

Therapeutic Class	Excluded Products
High Blood Pressure	Atacand (candesartan) tablets
	Avapro (irbesartan) tablets
	Cozaar (losartan) tablets
	Lotrel (amlodipine/benazepril) capsules
HIV	Sustiva (efavirenz) capsules
Iron overload	Jadenu (deferasirox) granules & tablets
Mental Health	Paxil CR (paroxetine) extended-release tablet
Migraines	Frova (frovatriptan) tablet
	Zomig (zolmitriptan) tablets
Osteoporosis	Actonel (risedronate) tablet
Pain	Norco (hydrocodone/acetaminophen) tablets
	Roxicodone (oxycodone) tablets
Pain and inflammation	Relafen (nabumetone)

Therapeutic Class	Excluded Products
Phenylketonuria	Kuvan (sapropterin)
Pulmonary arterial hypertension	Letairis (ambrisentan)
	Revatio (sildenafil) suspension
Skin conditions	Elidel (pimecrolimus) cream
	Halog (halcinonide) 0.1% cream
	Zonalon (doxepin) 5% cream
Supportive Care for Cystic Fibrosis	Bethkis (tobramycin)
Transplant	Zortress (everolimus) tablets
Ulcers	Carafate (sucralfate) suspension, tablets
Ulcers, Heartburn, & Reflux	Prevacid Solutab (lansoprazole) delayed-release orally disintegrating tablet

Generic medications will remain covered. Included in parentheses for reference only



Indication based coverage

Medications may provide high value for one indication and lower for another.

Since 65% of use is to treat elevated triglycerides where generic Lovaza is therapeutically equivalent, Vascepa will be excluded for the treatment of elevated triglycerides. For treatment of cardiovascular risk reduction, a clinical review will be available.

Review Process

Elevated triglycerides



Generic Lovaza

Cardiovascular risk reduction



1
Generic statins
eg, atorvastatin



2
Generic statins
+ ezetimibe



Vascepa

Coverage Outcome

PDL Changes	
icosapent ethyl (generic Vascepa)	X
Vascepa capsule	X





Biosimilar updates

Biosimilar updates – medical benefit

The continued development of new biosimilar medications is a key factor in long-term specialty cost management.

We strive to provide coverage for biosimilars whenever possible to ensure a **robust pipeline of future products**.

Each innovator (original biologic) and its biosimilar are evaluated one by one and **when financially supportable, we prefer the biosimilar**.

Up to 60%

estimated client savings by implementing our biosimilar management strategies.¹
The average is 41%¹

2/1/21 changes

Innovator Brand	Therapeutic Category	Available Products	Pharmacy Benefit	Medical Benefit
Remicade®	Inflammatory Conditions	Remicade*	N/A	Non-Preferred
		Avsola™ (biosimilar)*	N/A	Preferred
		Inflectra® (biosimilar)	N/A	Preferred
		Renflexis™ (biosimilar)	N/A	Non-Preferred
Herceptin®	Cancer	Herceptin	N/A	Non-Preferred
		Herzuma® (biosimilar)	N/A	Non-Preferred
		Kanjinti™ (biosimilar)	N/A	Preferred
		Ogivri™ (biosimilar)	N/A	Non-Preferred
		Ontruzant® (biosimilar)	N/A	Non-Preferred
		Trazimera™*	N/A	Preferred

Applies if client has core medical necessity and Cancer Guidance Program in place. UnitedHealthcare uses utilization management strategies (e.g., prior authorization) to prefer products.

*New for this cycle

1. Projected savings analysis based on 2020 UnitedHealthcare book of business claims data. Savings may vary.





COVID-19 Vaccines

COVID-19 Vaccine

This slide was updated 1/13/21

- The COVID-19 vaccines will be an important way to slow the spread of the disease and providing coverage through the pharmacy benefit is one way to enhance access.
- Coverage for the vaccines has been added under both the pharmacy and medical benefit with a zero-cost share to the member.

Manufacturer	# Doses (Schedule)	Earliest U.S. Availability
Pfizer/BioNTech	2 (0, 21 days)	FDA granted EUA Dec. 11, 2020
Moderna/NIAID	2 (0, 28 days)	FDA granted EUA Dec. 18, 2020

This information is current as of 01/13/21. Please go to uhc.com for the most up to date information on COVID-19.





Additional Advantage and Traditional PDL Pharmacy Benefit Updates and Clinical Program Changes

Additional exclusions

Therapeutic Class	Tier	Medication
Acne	X	Arazlo
Contraceptives	X	Phexxi
	X	Twirla
Diabetes	X	Semglee
Endocrine disorders	X	Bynfezia Pen
	X	Mycapssa
Inflammatory bowel conditions	X	Ortikos
Oral steroid	X	Hemady
	X	Zcort 7-day
Prenatal vitamins	X	Azeschew Prenatal/Postnatal
	X	Prenara
	X	Prenatrix
Skin conditions	X	Halog 0.1% solution

Therapeutic Class	Tier	Medication
Cholesterol/Lipid lowering	X	Niacor (niacin)
Endocrine disorders	X	Nityr
Nausea and vomiting	X	Varubi
Sleep disorders	X	Doral (quazepam)

Legend Medications with OTC Equivalent (LMwOE)

Therapeutic Class	Tier	Medication
Pain and inflammation	X	Licart ¹

¹ Customers with the Legend Medications with Over-the-Counter Equivalent (LMWOE) program cannot opt-out.



Additional updates

New Benefit Coverage

Therapeutic Class	Tier	Medication
Endocrine disorders	2	Orfadin capsules (Brand Only) ²
	2	Orfadin suspension

Drug Device Program

Therapeutic Class	Tier	Medication
Asthma	X	AirDuo Digihaler
	X	ArmonAir Digihaler

² Will remain in Tier 1 on the Traditional PDL

Uptiers

Therapeutic Class	Tier	Medication
Bladder pain	2→3	Elmiron
Endocrine disorders	2→3	Signifor
HIV	2→3	Fuzeon
Parkinson's disease	2→3	Apokyn
Supportive care for cystic fibrosis	2→3	Cayston

4th Tier Uptiers

Therapeutic Class	Tier	Medication
Bladder pain	2→4	Elmiron
Endocrine disorders	2→4	Signifor
	3→4	Somavert
HIV	2→4	Fuzeon
Parkinson's disease	2→4	Apokyn
Supportive care for cystic fibrosis	2→4	Cayston



Clinical Program Updates for All PDLs

New QD Supply Limits

A supply limit is the largest quantity of medication covered per copayment or in a time period. The following medications will have a new supply limit.

Therapeutic Class	Medication Name	Quantity Limit
ADHD	Dexedrine 5mg capsules	310 capsules per month
	Dexedrine 10mg capsules	124 capsules per month
	Dexedrine 15mg capsules	124 capsules per month
Parkinson's disease	Apokyn 30 mg /10 mL pen injectors	30 pen injectors per month

New QLL Supply Limits

A supply limit is the largest quantity of medication covered per copayment or in a time period. The following medication will have a new supply limit.

Therapeutic Class	Medication Name	Quantity Limit
Infections	Vfend 40 mg/mL	300 mL per copay



Clinical Program Updates for All PDLs

New Prior Authorization – Notification

Prior Authorization requires physicians to provide additional clinical information to verify member benefit coverage.

Therapeutic Class	Medication Name
Cancer	Zolinza
HIV	Fuzeon
Parkinson's disease	Apokyn

New Step Therapy

With this program, members will need to try a lower-cost medication first, before a higher-cost medication may be covered.

Therapeutic Class	Medication Name	Step 1 Medications
Bladder Pain	Elmiron	amitriptyline
Supportive care for cystic fibrosis	Cayston	tobramycin (generic Bethkis)

New Prior Authorization – Medical Necessity

Evaluates the clinical appropriateness of a medication in terms of condition being treated, type of medication, frequency, and duration.

Therapeutic Class	Medication Name
Dry mouth	Caphosol ¹
Parkinson's disease	Apokyn
Skin conditions	Hyclodex ¹
	Penlen ¹

¹ Typically excluded





Thank you