



ScriptSave®  
**WellRx**

# Prescription Discount Cards and the Insured Patient

May 2017

The use of prescription discount cards\* for saving money on medications continues to grow. While many think that these cards serve the needs of consumers without prescription drug coverage, the reality is that an increasing number of *insured* individuals are now using them as well.

In 2016, a leading Pharmacy Benefit Manager (PBM) sponsored an online consumer survey focused on discount cards and examined a wide swath of US consumers [Fig.1]. One of the most surprising findings was that almost a third of those individuals who currently *have*

prescription drug coverage indicated they also use the services of a prescription discount card to purchase certain medications. Additional questions revealed that the reasons varied, including 1) the drug(s) not being included on the formulary, 2) the member assuming that their deductible wouldn't be met by the end of the year and 3) despite the drug being covered by insurance, the discount card provided a cheaper price.

**What Surprise?**

Should these results from the PBM survey really have come as such a big surprise?

Data from America's Health Insurance Plans (AHIP) have shown the strong and steady proliferation of High Deductible Health Plans (HDHPs) for the past decade. AHIP's most recent update to its "Survey of Health Savings Account – High Deductible Health Plans" (released Feb 2017) showed more than 20 million HSA-qualified HDHP enrollees in 2016. This compares to just 1 million enrollees when the survey was first conducted in 2005.

Although it is not uncommon to read about shifting trends towards HDHPs in the wake of the Affordable Care Act (ACA), it is easy to forget that the shift towards this type of plan began long before the ACA took shape. That said, one thing that has been much publicized since the launch of the ACA in 2014 has been the successive hikes in the maximum allowable out-of-pocket cost for qualifying plans: starting at \$6,350 in 2014; \$6,600 in 2015; \$6,850 in 2016; and now up to \$7,150 for an individual in 2017 [Fig.2]. Little surprise

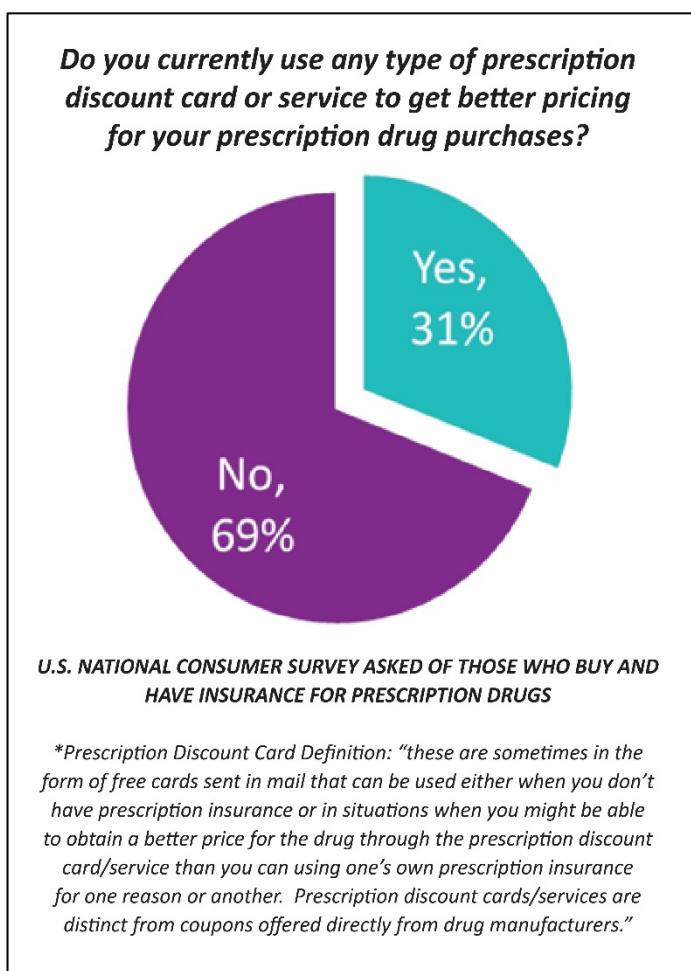
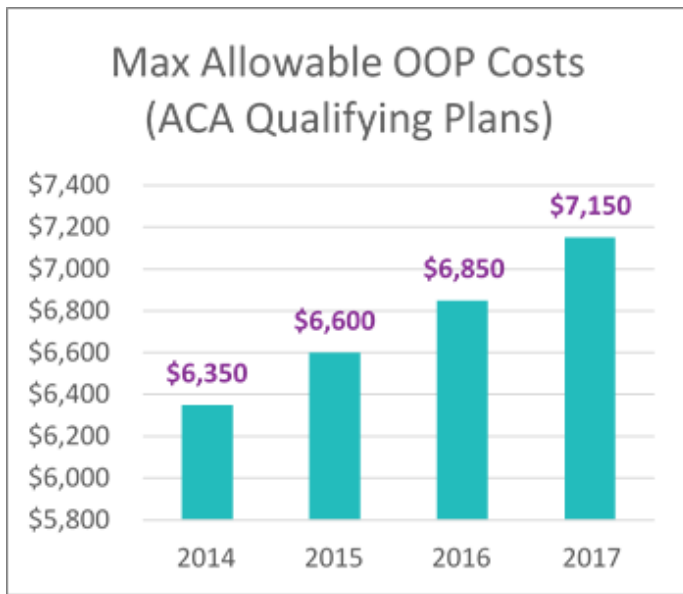


Fig.1



HealthCare.gov/glossary/out-of-pocket-maximum-limit Fig.2

then that the PBM survey revealed that the most frequently cited reasons for insured patients choosing to use a prescription discount card rather than insurance was that the member assumed that the deductible would not be met by the end of the year.

### The Self-pay Patient – A Growing Blind Spot

When all is said and done, it may seem reasonable to suspect that regardless of how Healthcare Reform shakes out under the new administration, HDHPs are here to stay. The resulting era of the self-paying patient creates

challenges for both members and those tasked with managing their health.

Let’s not forget that prescriptions paid for with cash do not become part of the tracked utilization history-and-record for those members. When today’s marketplace dynamics are overlaid with this lack of utilization data, the result is an unwelcome blind spot.

Having realized this trend in its relative infancy, and predicting that PBMs, Payers, TPAs and employer groups would benefit from the ability to track cash scripts for their insured lives, Arizona-based ScriptSave conceived, developed, built and released its WellRx Connect product suite.

“ScriptSave WellRx Connect” overcomes the prescription discount card challenge by providing a cost effective and seamless savings card experience for members, while also providing the Payer visibility into those claims that are otherwise not tracked [Fig.3]. The member simply presents the usual insurance prescription card at the pharmacy. If the best path for the member is to use a discount card, the ScriptSave WellRx program is used. That transaction is then recorded just like any other member transaction and becomes a part of the historical prescription record.



Fig.3

## The Data Speak For Themselves

In 2016, wrap discounts were provided conservatively and to only completely excluded therapeutic classes. That said, the data show that the number of cash claims from insured members is by no means insignificant. Fig.4 shows the percentage of total prescriptions filled that fell out of coverage and for which ScriptSave WellRx Connect provided a discount.

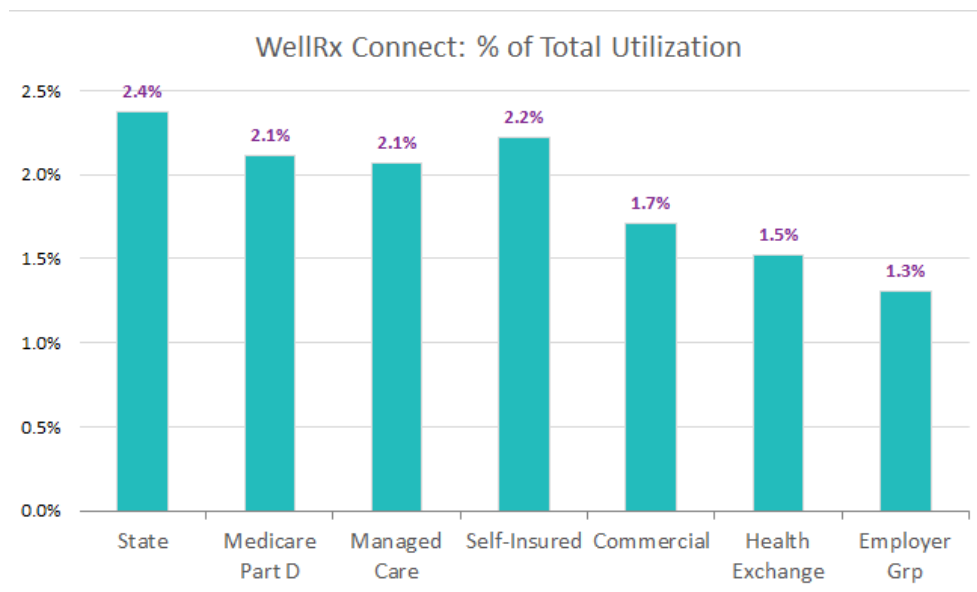


Fig.4

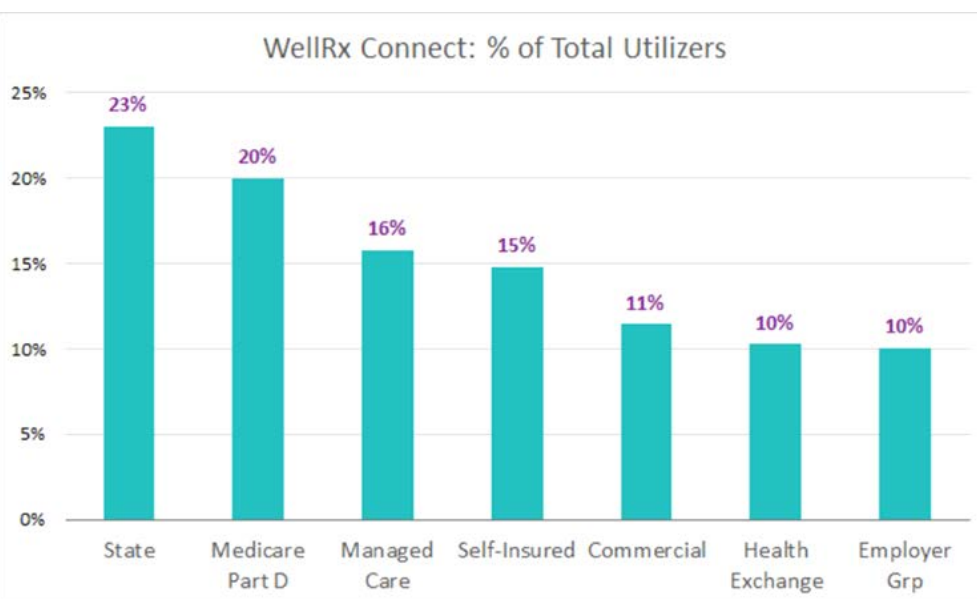


Fig.5

While the percentage of total claims was around 2%, a more compelling insight is presented by looking at the overall patient penetration rate [Fig.5]. Varying by line of business, between 10% and 23% of utilizers filled scripts outside of their covered benefit. The data are compelling; medication profiles otherwise could have been incomplete for up to 20% of plan members and those members may have otherwise paid an increased cost for their medication, potentially leading to non-adherence.

## Significant Member Savings

The savings that the ScriptSave WellRx Connect program provided patients in 2016 are significant. Overall, across all types of drugs and lines of business, members saved an average of 36% off the full price of the prescription

drug, or an average savings of \$14 per prescription fill. The two graphs that follow [Fig.6] depict the average percent discount and member savings, by various lines of business, with the top graph focused on generic drugs and the bottom graph focused on brand drugs.



Fig.6

**Contact Us**

To learn how you may be able to boost adherence, provide savings, and complete your patient data profiles, please contact us for a free consultation and detailed plan analysis.

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