

# Addressing Rising Drug Prices

At CVS Health®, we recognize that one of the most important things we can do is to help people afford and take their medications.



Rising drug prices hurt patients and lead to negative and costly outcomes throughout our system.

**40%**

of patients do not pick up their prescriptions when out-of-pocket costs per prescription exceed \$200 <sup>1</sup>

**\$290B**

in wasteful spending due to patients not taking their medications as prescribed <sup>2</sup>

Providing information across all points of care helps patients get the right medicine at the lowest possible cost:

## 100K prescribers

currently use real-time benefits (RTB) for Caremark members.

## At the Physician's Office

RTB technology provides prescribers with visibility into what a patient will pay for a specific drug under their benefits plan and presents up to five lower-cost, clinically-appropriate alternatives for consideration by the prescriber.



## 57% of Americans

don't know how much a drug will cost them before filling a prescription.

## At the Pharmacy Counter

30K retail pharmacists use the Rx Savings Finder to search for potential savings opportunities.



## 54% of Americans

believe it would be helpful to know the cost of a prescription before it is filled. <sup>3</sup>

## On Demand

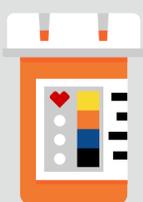
230K times a month, Caremark members are searching the Check Drug Cost tool to locate lower-cost, clinically-appropriate alternatives.



Our Pharmacy Benefit Management (PBM) strategies are helping control costs while promoting better health:

## Encouraging the use of lower-cost alternatives

Data show greater use of generics can lead to a 3% decrease in overall mortality. <sup>4</sup>



## Zero-dollar copay drug lists

Our clients have the option to cover all generic medications for chronic diseases, as well as some key branded drugs, at no out-of-pocket costs to their members.



## Evidence-based utilization

Our evidenced-based guidelines helping prescribers connect patients to the most cost-effective medicines have resulted in more than \$2.9B in savings. <sup>5</sup>



## Rebates at the point of sale

We pioneered point-of-sale rebates for our own employees and in Medicare Part D and currently provide the benefit to more than 10M members.



Without PBM strategies, health care costs would rise for patients, employers and government programs:

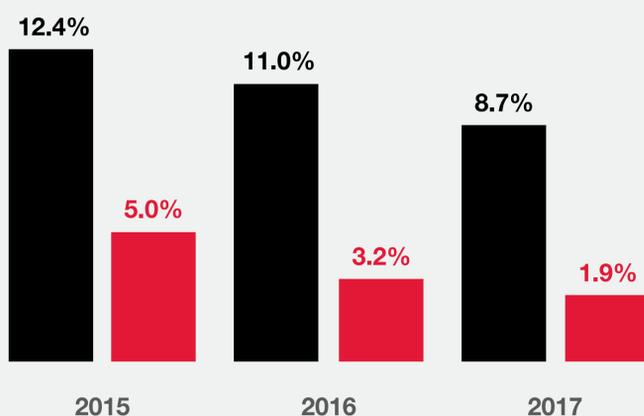
## Brand drug manufacturers have been increasing prices on average 9.2% annually from 2008-2016. <sup>6</sup>

In spite of these steady price increases, CVS Caremark has kept drug costs in check for clients and patients.

● Unmanaged Trend

● Managed Trend

In 2017, cost increase contributed 0.2% while utilization increase contributed 1.7%.



Source: CVS Health Enterprise Analytics, 2018.

Learn more at: [cvshealth.com/drug-prices](https://cvshealth.com/drug-prices)

<sup>1</sup> CVS Health Internal Analysis. Completed December 2015, Retail RxDw; Analysis Timeframe of 1/1/15 – 12/28/15

<sup>2</sup> [https://www.nehi.net/writable/publication\\_files/file/pa\\_issue\\_brief\\_final.pdf](https://www.nehi.net/writable/publication_files/file/pa_issue_brief_final.pdf)

<sup>3</sup> Morning Consult poll conducted from July 23-25, 2018, among a national sample of 2,201 registered voters.

<sup>4</sup> <https://www.ncbi.nlm.nih.gov/pubmed/25222387>

<sup>5</sup> CVS Health White Paper. Current and New Approaches to Making Drugs More Affordable. Published August 2018

<sup>6</sup> <https://www.healthaffairs.org/doi/abs/10.1377/hlthaff.2018.05147>

