

## Pharmaceutical Benefits: A look back and the year ahead in 2016

As a leader in the Canadian pharmaceutical benefits space, Sun Life Group Benefits continually strives to create value for clients through a number of strategic initiatives. In the last couple of years, there have been several successes in terms of savings for plan sponsors and plan members. In 2016, there will be a continued focus on initiatives that offer options for plan sponsors and plan members, and deliver cost management and thought leadership.

### A look back

Over the last couple of years, we have had a number of successful initiatives, including:

- **Specialty Preferred Pharmacy Network (PPN)**—Negotiations on the pharmacy mark-up of high cost drugs and auxiliary services resulted in over 30,000 high cost drug prescriptions being filled successfully through our 2500 PPN pharmacies in its first full year. The benefit to plan sponsors is a decrease in the cost per claim, while plan members can experience lower out-of-pocket expenses.
- **Evidence-Based Drug Plan**—By encouraging the use of drugs that provide the best value, this plan design has offered many plan sponsors a more cost effective option to manage their drug plans while benefiting from negotiated savings from the pharmaceutical industry.
- **The Remicade® arrangement**—The agreement between Sun Life and Janssen (the first of its kind in Canada), has provided plan sponsors and plan members with increased value and access through reduced costs for Remicade®.

Overall, the successful execution of these initiatives resulted in lowering claim costs to plan sponsors and plan members in 2015.

### 2016—The year ahead

As part of our ongoing commitment to creating robust and sustainable programs for our plan sponsors, our 2016 strategic focus will include the following:

- **Continuous enhancements to our Prior Authorization (PA) program**—In 2016, we are continuing to invest in our PA program to ensure that we apply industry-leading clinical criteria in the assessment process. To that end, we have hired a clinical pharmacist, formerly of the Canadian Agency for Drugs and Technologies in Health (CADTH), who has a PhD in Health Economics. From a good plan governance perspective, for the minority of our clients who have pay-direct drug cards (PDD) but who do not yet have PA enabled, we will be promoting the adoption of PA to help protect their benefits program. Furthermore, we are planning to implement PA on non-refund clients who currently have a PDD but do not have PA enabled, and to move non-refund clients with Reimbursement or Deferred plans to PDDs, which will enable better claims control and the adoption of PA.

- **Continuing to negotiate savings with manufacturers**—Building on our success in pharmaceutical negotiations, we continue to negotiate new savings agreements with pharmaceutical companies, which will help to make drug plans more cost-effective for plan sponsors and plan members. Clients with plan members on drugs for which we have negotiated agreements will see a claims adjustment where applicable\*.

\* For clients with eligible drug claims covered by agreements under which credits are not applied at the point of sale, credits will be applied as a claims adjustment.

### Questions?

Contact your Sun Life Financial group benefits representative.