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PBM Express Scripts Inc. (“ESI”) Issues Annual Pharmacy Report

National Pharmacy Benefit Manager (PBM) ESI has issued their [Annual Pharmacy Trend Report](#) that gives a thorough state of the union related to prescription drug costs for employers and plan sponsors. The report also offers helpful information in understanding the drivers of pharmacy costs. Below are some headlines based on the ESI 2017 Drug Trend Report:

- ESI’s book of business pharmacy trend for calendar year 2017 was 1.5%. This is in contrast to their 2016 trend of 3.8%. While this overall trend result is favorable, there are significant concerns related to specialty medications (which is not a new development). Specialty medications now account for 41% of all ESI’s claim costs and specialty trend was 11.3%. In prior years specialty trend was even greater.
- While overall drug trend has improved, as noted above, specialty medications remain a major concern. The trend for select specialties is particularly troubling; oncology drug trend was 17%, anti-inflammatory trend was 15%, and HIV medication trend was 14%. There are no quick-fixes to the specialty pharmacy issue albeit the tightest utilization management controls are required to mitigate these rising costs as best as practical. One bright spot is that hepatitis-C drug trend is down by -35% after its initial explosive costs rocked benefit budgets only a few years back.
- Consistent with the opioid crisis plaguing the nation, ESI reports that some 2 million Americans take some form of a narcotic drug every day.
- For ESI’s book of business, they contend that the average member cost share for a 30-day medication supply was \$11.24.

Conner Strong & Buckelew manages its own Pharmacy Coalition for clients that offers best-in-class financial and contractual terms. We also have a repository of solid drug utilization management strategies designed to help clients manage their pharmacy trend as effectively as possible. For questions about this report or assistance with pharmacy benefits, please contact your Conner Strong & Buckelew account representative.



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