Whirlpool
Prescription Drug Formulary and Plan Design Considerations
Whirlpool Custom Formulary

• Implemented Custom Formulary
  – Alignment with Whirlpool benefit philosophies
  – Maximize value of prescription drug benefit for Whirlpool and its members
  – Formulary based on PBM Formulary with modifications to targeted therapeutic classes

• Whirlpool Formulary Review Committee
  – Meets quarterly to assess clinical and pharmacoeconomic applicability of PBM formulary recommendations
  – Assesses Custom Formulary and Utilization Management recommendations and strategies
Whirlpool Formulary Philosophy

Maximize the value prescription drugs provide to Whirlpool and its members

– Clinical basis
  • Evidence based medicine / pharmacoeconomics
  • All decisions are founded on clinical evidence
  • Cost-minimization should not be considered in isolate

– Modifying member behaviors
  • Provide members with the resources necessary to make informed decisions
  • Improving adherence

– Benefit design
  • Encourage the use of the most cost effective products
  • Lower the cost of prescription drugs when clinically and financially appropriate
Whirlpool Formulary Philosophy

• Evaluate new products that are coming on the market and make coverage decisions based on clinical utility
  – Innovative therapies emerging for disease states with large treatment gaps
    • Need to understand their utility and body of evidence supporting their use
  – Innovative therapies emerging for diseases with adequate treatments
    • If product lacks evidence to support superiority to existing therapies then restrict its use
    • If product has evidence to support superiority to existing therapies then encourage its use when appropriate
  – Non-Innovative therapies emerging for diseases with adequate treatments
    • “Me-Too” drugs without benefit relative to available products
    • Restrict use by plan design

• Utilization Management
  – Employ Prior Authorization or Step Therapy criteria when appropriate
## Tier Design

<table>
<thead>
<tr>
<th>Tier 0: $0 or 0% Coinsurance</th>
<th>Tier 1: 10% Coinsurance Min: $X Max: $X</th>
<th>Tier 2: 20% Coinsurance Min: $X Max: $X</th>
<th>Tier 3: 50% Coinsurance Min: $X Max: $X</th>
<th>Tier 4: 100% Coinsurance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Encourage the utilization of clinically and cost effective therapies</td>
<td>Encourage the utilization of cost effective therapies that don’t qualify for $0 tier</td>
<td>Encourage the utilization of cost effective therapies relative to other agents / therapies</td>
<td>Products that are not as clinically or cost effective relative to other available agents / therapies</td>
<td>Products considered to have minimal or no clinical or cost effectiveness value relative to other available agents / therapies</td>
</tr>
<tr>
<td>Evidence supports utilization</td>
<td>Primarily Generics</td>
<td>Evidence supports utilization and populate discriminately based on clinical literature</td>
<td>Primarily Non-Preferred Brands</td>
<td>Primarily Non-Preferred Brands</td>
</tr>
<tr>
<td>More palatable to be more restrictive in some therapeutic categories</td>
<td>Primarily Generics</td>
<td>Primarily Preferred Brands</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### ACE Inhibitors and ARBs

- **Enalapril, Captopril, Benazepril, Lisinopril**
- **Fosinopril, Moexipril, Quinapril, Ramipril, Trandolapril, Losartan**
- **Atacand, Avapro, Benicar, Diovan, Micardis, Teveten**

---

**Increased Value to Members & Plan**
$0 Copay Tier (Tier 0)

General Guiding Principles

- Disease or condition being treated is chronic
- Drug adherence is important to the desired outcome
- Drug therapy has been proven to significantly reduce morbidity and or mortality
- Practice guidelines, systematic reviews or expert consensus panels have recommended the drug as a first-line therapy
- Clinical outcomes with the selected $0 drug are at least equal or better than alternative FDA approved drugs
- Loss of co-pays and rebates is offset by reduction in overall pharmacologic cost of treating the condition or through decreased future medical claims
$0 Copay Tier (Tier 0)
General Guiding Principles cont.

• Placement of the selected drug on Tier 0 will move utilization away from a single source brand either through bioequivalent or therapeutic class substitution
• Placement on Tier 0 does not lead to excessive administrative burdens
• Control phase processes include measurements of adherence, drug efficacy, safety, cost minimization and most importantly continued evidence of superiority or equipoise
Questions