



STATE EMPLOYEE BENEFITS COMMITTEE
PCSK9 CHOLESTEROL MEDICATIONS
July 27, 2015

High Cholesterol – Population, Costs & Treatment

➤ Population

- 33.5% of US adults have high LDL, less than half are treated
- Prevalence of Cholesterol Drugs in State Plan –
 - 13.1% in Active/non-Medicare population (12,900)
 - 57.8% in Medicare population (13,047)
- Familial hypercholesterolemia – unique challenges
 - Intolerance to traditional statins
 - Inability to get to optimal LDL level

➤ Costs to State Plan – Cholesterol Drugs Only

- \$81.34 PMPY in Active/non-Medicare population - \$8M annually
- \$483.83 PMPY in Medicare population - \$10.9M annually
- Generic drugs dominate

➤ Treatment Guidelines

- Evolving treatment guidelines
- Statins demonstrated improvements in morbidity and mortality

What Are PCSK9 Medications?

- PCSK9 medications are a new class of cholesterol lowering medications (statins)
- Two new drugs in pipeline review pending FDA approval late July and late August
 - Praluent™
 - Repatha™
- Medications are injectable – once or twice per month

Indications for PCSK9 Medications

- Impact will depend on approval protocol by FDA
 - Expected to initially be limited to Familial Hypercholesterolemia indication only
 - Estimated 0.2% of State plan population
- Drug manufacturers are expected to push FDA to expand the clinical indications and volume of patients identified as appropriate for these high cost medications

Financial Impact of PCSK9 Medications

- Cost of PCSK9 estimated at \$12,000 annually per patient compared to \$600 for traditional statins
- Unmanaged drug utilization would raise prescription costs annually
 - \$32.6M for active/non Medicare population
 - \$30.8M for Medicare population
- Management of drug utilization will minimize prescription drugs costs annually
 - \$4.4M for active/non Medicare population
 - \$3.5M for Medicare population

Management of PCSK9 Medications

- Rigorous prior authorization program for any PCSK9 prescribed by provider
- Dispensing limited to specialty providers of Accredo (ESI specialty pharmacy) and Biotek (specialty pharmacy in New Castle, DE)
- Doctors must provide medical documentation and lab tests (commensurate with indications approved)
- Dedicated team of clinicians at ESI to review data submitted
- Home Delivery Option Available to Clients **not subject to** Any Willing Provider/Pharmacy Access Legislation

Additional Costs for Management of PCSK9 Medications

- ESI will provide the rigorous prior authorization package for PCSK9 drugs at the cost of \$0.20 PMPM
- Additional annual administrative fees
 - \$236,000 for active/non-Medicare population
 - \$54,200 for Medicare population

Follow up

- Will continue to provide updates to SEBC as medications are approved by FDA and more information is available