

Rx Matters



A newsletter created especially for managed care clients, delivering a mix of news and trends in healthcare, and up-to-date information about our products and services



Strong Management of Specialty Pharmacy Drugs Achieves Savings

Although specialty medications are needed by only a small percentage of your member population, they can be a large percentage of your drug spend. The annual cost per patient for specialty medications can be as high as \$150,000 or more, depending on the therapy. And those costs are only expected to rise. Growth in specialty drug expenditures is forecasted at 18.1 percent in 2009, exceeding growth in retail prescription drugs, hospital services and physician services. Because of this,



even the smallest savings on specialty pharmacy drugs can really add up. That's why strong pharmacy management is key in helping to keep your costs down.

The 2009 Walgreens Specialty Pharmacy State of the Industry Report details processes and services that demonstrate how our programs can help reduce drug spend and improve patient outcomes. The following is a synopsis of two case studies from the soon-to-be published report.

Oral Chemotherapy Cycle Management Program Reduces Medication Waste

At costs of \$10,000 per month or more, oral chemotherapy is expensive. And, these cancer medications often are wasted because many patients who are struggling to cope with potentially severe side effects, among other challenges, are unable to complete a

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Strong Management Achieves Savings (continued from p. 1)

full month of therapy. The unused medication is wasted, a cost to both the plan and the patient, and the physician may not be aware of the patient's decision to stop therapy.

Our solution to help patients work through the challenges they may face and manage the costs associated with this therapy is our Oral Chemotherapy Cycle Management Program. Patients in the program are contacted at predetermined intervals during their first month on therapy by a member of our clinical team who educates them about their medication, assesses their response to therapy, documents side effects and confirms adherence.

In addition to cycle management, health plans can choose the monitored dispensing option, which may save even more. With monitored dispensing, a partial month's supply of medication is initially shipped. Only when it is determined that the patient is tolerating therapy appropriately is the remaining month's supply sent—ultimately cutting down on medication waste and avoidable expenses.

The State of the Industry Report highlights results from an analysis of approximately 430 claims related to three oral chemotherapy medications. We found that plans choosing the monitored dispensing option could potentially realize significant cost savings—about 12.4 percent of total program costs the first month, 9 percent the second month and 5.3 percent the third month.



Managed Versus Unmanaged Patients

A second case study in the report assesses how participation in our therapy management programs affects medication adherence. We compared data from October 2008 through March 2009 for multiple sclerosis (MS) and rheumatoid arthritis (RA) patients who received therapy management support versus those who opted out of our support services at retail.

We found that both medication possession ratio and duration of therapy were improved for those participating in our therapy management programs. Increased adherence may lead to cost savings related to reductions in hospital visits, disease-related complications and overall healthcare costs due to decreases in relapses, exacerbations and disease progression.

To obtain a copy of the State of the Industry Report or learn if one of our programs can help achieve increased drug spend savings, contact your account representative.



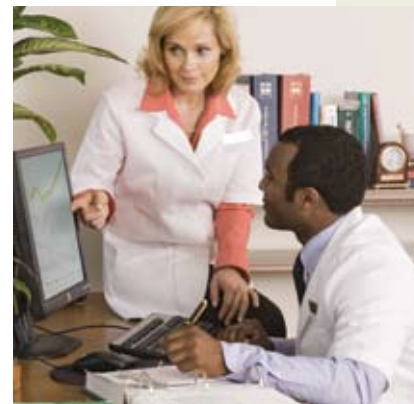
MedMonitor[®]XR Exceeds New CMS Requirements

MedMonitor[®]XR, our next-generation medication therapy management (MTM) program, already exceeds CMS' new MTM regulations for 2010. The new requirements are common practice for us and have been part of our program for years.

In the past, CMS has not been very specific about their requirements for MTM programs. So when we developed MedMonitorXR in 2006, our goal was to create an MTM program of the highest caliber. Now, with increased CMS requirements, other Part D sponsors need to upgrade their programs, while our MedMonitorXR program already goes beyond CMS expectations. With the exception of the member drug spend threshold and reporting details, MedMonitorXR already meets or exceeds every requirement.

CMS' goal of making MTM programs the cornerstone of the Medicare Prescription Drug Benefit is to improve therapeutic outcomes by maximizing access to MTM, promoting greater consistency and raising the level of service to positively impact medication use. Beginning in 2010, Part D sponsors will be required to implement MTM programs with more specific enrollment, targeting, intervention and outcomes reporting. Listed below are the five new CMS requirements for Part D sponsors and how our MedMonitorXR program matches up:

- 1. Enroll targeted beneficiaries using an opt-out method of enrollment only** – Our experience with programs that require patients to call and register is that there is often low enrollment, which means many members don't receive the best-possible therapy. That's why our program originally supported an opt-out method for members.
- 2. Target beneficiaries for enrollment at least quarterly** – In the past, CMS required open enrollment once a year. We've always qualified all of our members daily through MedMonitorXR. Each time a member fills a prescription they go through the qualification process to get a score that determines if they meet the enrollment criteria.
- 3. Target beneficiaries who have multiple chronic diseases, are taking multiple Part D drugs and are likely to incur annual costs for covered Part D drugs that exceed a predetermined level as specified by the Secretary of Health and Human Services** – The new requirements will lower the previous annual cost threshold from \$4,000 to \$3,000. In addition, the new requirements state that the maximum required number of Part D drugs a beneficiary must be taking to be eligible for this program is eight. We have already taken the steps needed to ensure our program is compliant with these new CMS requirements for 2010.
- 4. Offer a minimum level of MTM services, including interventions for both beneficiaries and prescribers, an annual comprehensive medication review for the beneficiary and quarterly targeted medication reviews** – We've always included a review of medications; interactive, person-to-person consultation; and an individualized, written summary of interactive consultation to our members, prescribers and clients.



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- 5. Measure and report details on the number of comprehensive medication reviews, number of targeted medication reviews, number of prescriber interventions and the change in therapy directly resulting from the interventions** – Our reporting team is already working on 2010 reporting to meet all 2010 CMS program reporting requirements.

A detailed account of the new CMS regulations is available at CMS.hhs.gov/PrescriptionDrugCovContra. To learn how MedMonitorXR can be your MTM solution, contact your account representative.

New Community-Based Pharmacy Model Launched

Walgreens is in the process of implementing a new community pharmacy model in Florida and Arizona with the goal of expanding, state by state, over the next several years. This new program, which internally we call POWER (Pharmacy Optimization with Enterprise Reengineering), is designed to both improve our services to your members and streamline our processes to become more efficient.



With this new model, we shift most of the phone calls and processing of next-day prescription refill orders to a nearby central facility staffed with Walgreens pharmacists and highly trained specialists. There, various aspects of filling a prescription, including intake, verification, insurance adjudication and dispensing take place. Filled prescriptions are then delivered back to the originating Walgreens pharmacy through our internal distribution infrastructure for pickup by our customers.

The transfer of some duties from our stores to our central operations creates more time for in-store pharmacists and technicians to interact with and counsel patients. It also will enable our pharmacists to provide additional clinical services, such as immunizations and medication management. “We’re doing everything possible to make certain these changes are invisible to our patients,” said George Riedl, senior vice president of Pharmacy Innovation and Purchasing. “What we do want them to notice is better quality care from our pharmacists and technicians.”

While the elements of POWER aren’t new, what is new is how we are applying them. We’re combining the best of our existing resources—our people, our stores, call centers, distribution network and mail service pharmacies—to create this new, even more patient-focused system that will provide additional benefits to you and your members.

Look for additional updates on this system as it continues to expand in future issues of *Rx Matters*.



New Web Site for Oral Chemotherapy Patients

Oncology is a priority for Walgreens Specialty Pharmacy, that's why we launched a new web site devoted to cancer patients and their caregivers. For people who like to gather information via the Web, Cancer.Walgreens.com will provide online support and additional education to patients and caregivers who are managing adherence to medications, which often have complicated administration requirements and serious side effects.

Cancer.Walgreens.com is Walgreens Specialty Pharmacy's first web site devoted to oncology. However, high utilization of our current web sites for HIV/AIDS and infertility clearly demonstrates the need for this type of information from a healthcare expert patients know they can trust. Additional sites on other conditions are planned for the future.

It's Not Too Early to Promote the Flu and Pneumonia Immunization Program

To achieve the biggest benefit from the 2009-2010 Flu and Pneumonia Immunization Program it's important to promote this benefit to your members early and often. Members will be able to get a jump start on the flu season by receiving their immunizations beginning this September. The more you promote the program, the more likely it is that members will get their immunizations and stay healthier this flu season. Members who participate in the program help decrease healthcare costs by preventing the spread of flu, reducing the number of lost workdays from avoidable illness and minimize unnecessary and costly emergency room visits, medications and hospitalizations.

We've made it easy for you to communicate the program details to your members by providing templates for your use, including a member letter, an ad for your member newsletter, flyers and worksite posters. All of these can be customized to include program-specific information, such as your company name, vaccine type(s) available to members and price. The materials promote the importance of receiving these immunizations at one of our nearly 7,000 Walgreens locations, including Take Care ClinicsSM, how to locate a participating location by phone or online, as well as what members need to present to receive their immunization(s). All member material is now available.

If you're one of the few plans that haven't offered this valuable benefit to your members before and would like more information on our 2009-2010 Flu and Pneumonia Immunization Program, contact your account representative.

Arm yourself
for the ones you love

I got a flu shot
for my ballroom
dance partner.

This fall, [name] makes it even easier to get a flu shot —
so you can stay healthy for the people you care about.
Available at nearly 7,000 Walgreens locations nationwide.

Flu Shots: No Charge Present your pharmacy benefit ID card.
Visit Walgreens.com/flu or call 1-800-WALGREENS (1-800-411-4111)
for times and locations.

Walgreens (CLIENT LOGO)

Walgreens-OptionCare Delivers “Just Right” In-Home Nutrition Support

When it comes to providing in-home nutrition therapies to patients who are unable to obtain their daily nutritional needs through traditional means, delivering care and service that’s “just right” can help improve clinical outcomes for patients and contain your costs. Our program operates on the principle of providing quality care to the patient at the right place (in the patient’s home), the right time (timely home delivery and quick response to patient and referral requests), with just the right service (providing appropriate care to the patient and the requested level of monitoring and reporting to the referral source).

Members receive nutrition support from a dedicated team, which includes a registered dietitian who assesses clinical needs and ensures the appropriate therapy, formula and pump selection. Walgreens-OptionCare believes dietitians are an integral part of the provision of quality, cost-effective care in the home setting—a service that sets us apart from other home care providers. There are two types of nutrition therapies—enteral and parenteral. Enteral therapy consists of a complete nutritional formula administered either by mouth or through a feeding tube in the stomach or small intestine. Parenteral nutrition is a complex mixture of glucose, proteins and lipids that are given intravenously, usually over the course of approximately 12 hours every day. This therapy is very expensive and can have many potential complications. The therapy is used if the patient is unable to tolerate the less expensive, less invasive enteral therapy option.



Our dietitians are experts in providing nutrition support in the home and their close patient involvement helps to reduce costs by working to transition patients from parenteral nutrition formulas to the less expensive enteral formulas, when appropriate. They also work with the physician or prescriber when complications or nonadherence occurs to prevent costly hospitalizations, and assist in the collection and analysis of complex clinical information to ease the reimbursement process for patients and speed up the claims process for you.

To learn if our Nutrition Support Program is “just right” for you, contact your account representative.

New Mail Service Survey Method Listens to Your Members More Frequently

In 2008, the results of our annual member survey reported that 93 percent of respondents rated their overall satisfaction with our mail service as “good” to “excellent.” While that shows we’re providing a high level of service, that’s not good enough for us. That’s why this summer we started reaching out to our mail service members more frequently for their feedback.



Our mail service invoices invite members to take a short online survey and share their experience with us. In addition, those mail service members who currently have an email address on file with us, will receive an email thanking them for their recent order and inviting them to take the online survey by providing a direct link to it.

The feedback we receive from the surveys will help us identify the key drivers of member mail service satisfaction and react quicker to the needs of our members. One method in place to help act on members' concerns is our new "hot alert" process. If a metric receives a rating below an acceptable level and the member indicates they wish to be contacted regarding the concern, the issue is escalated for immediate follow-up.

To encourage a high level of response, members in the U.S. who complete the survey will have a chance to win \$3,000 as part of a monthly sweepstakes (members in Puerto Rico are excluded due to legal restrictions). And all surveys will be reviewed quarterly in order to identify new and innovative ways to help continue to enhance the members' mail service experience.



We Make It Simple to Protect Infants Against RSV

Respiratory syncytial virus (RSV) is a highly contagious virus that infects approximately one-half of all infants during the first year of life, and nearly all children by the time they reach their second birthday.

Each year, an estimated 125,000 infants in the United States are hospitalized with severe RSV. Children born prematurely, as well as those with chronic lung or heart disease, are at the highest risk for the disease. While RSV is most common in infants and young children, it can cause respiratory illness throughout life, especially among the elderly and those with compromised respiratory, cardiac or immune systems.

Synagis® (palivizumab), produced by MedImmune, Inc., is the only FDA-approved medication to help protect high-risk patients from RSV. It is administered as a shot and recommended for high-risk infants every month from the fall through the spring.

Walgreens is committed to protecting infants and children from RSV. Our Synagis Simple® program integrates cost-effective, high-quality clinical care with flexible service options, helping infants stay healthy and reducing costs associated with hospitalization. We help ensure optimal treatment results by providing:

- Careful preparation and drug monitoring by experienced pharmacists
- Safe, dose-specific deliveries to the patient's home or physician's office

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- Home injections administered by skilled nurses
- Continued parent and caregiver education and compliance monitoring
- Insurance coordination

For more information about Synagis Simple or to begin offering this benefit to your members, contact your account representative before the Synagis season this fall.

The Take Care Recovery Plan Provides Free Healthcare

Earlier this year, Walgreens and Take Care Health SystemsSM launched its Take Care Recovery Plan—an offer of free healthcare services at Take Care ClinicsSM throughout the remainder of 2009 to all Take Care Clinic patients, who have suffered a job loss on or after March 31, 2009, and have no health insurance benefits. Through the Take Care Recovery Plan, qualified patients and their family members (ages 18 months to 18 years) may receive treatment for common illnesses such as colds, cough, flu, upper respiratory conditions, injuries and minor skin conditions at nearly 350 Take Care Clinics located at select Walgreens stores nationwide for the remainder of 2009. The offer does not apply to wellness services, such as physicals, vaccinations, health evaluations and injection or infusion administration. Patients are still encouraged to have a routine healthcare provider for follow-up and ongoing medical needs.

The Take Care Recovery Plan offers patients peace of mind knowing that they will not have to sacrifice receiving high-quality basic healthcare after a job loss.

The Take Care Recovery Plan offers patients peace of mind knowing that they will not have to sacrifice receiving high-quality basic healthcare after a job loss. The offer is aligned with Take Care Health Systems' founding focus of providing patient-centric, high-quality healthcare and an unparalleled healthcare experience. Additional information and all of the specific terms and conditions of the Take Care Recovery Plan are available at TakeCareRecoveryPlan.com or by calling 866-Take-Care (866-825-3227). A full list of Take Care Clinic services, generally priced at \$59 and above, can be accessed at TakeCareHealth.com.

Online Password Reset Coming to WalgreensMail.com

This fall, WalgreensMail.com will unveil a new, improved online solution for members who forget their passwords. Rather than merely emailing a member the self-created password hint on file with their log-in information, the web site will now allow members to answer security questions online to regain access to their online account.

This is an improvement over the previous process, which required member's to remember their password from their hint or call a Customer Care representative for help resetting their account. Now members who have misplaced their user name or password can resolve the problem in one visit to the web site—no phone calls are required.



This enhancement will provide our Customer Care representatives with more time to assist members, while improving your members' online experience.

The AARP®/Walgreens Wellness Tour Promotes Early Detection of Disease

“We know America is hurting,” said A. Barry Rand, AARP’s chief executive officer, on NBC’s Today Show when Walgreens and AARP kicked off the AARP/Walgreens Wellness Tour in New York’s Rockefeller Plaza in April. “AARP and Walgreens will make these much-needed health screenings available to all, along with information that will greatly increase the chances for early detection of chronic disease and other potential health problems.”

To maximize the impact and reach of our fifth annual community outreach campaign, Walgreens combined resources with AARP to provide six free health screenings to the people most in need of affordable healthcare, primarily those in diverse and underserved areas. Our goal is to deliver more than 2.5 million free health screenings over the next two years—valued at \$140 per person—for a total value of more than \$60 million.

Certified medical technicians conduct screenings for cholesterol levels, blood pressure, bone density, blood glucose levels, waist circumference and body composition/body mass index. Participants receive results immediately and are then encouraged to see their doctor or local Walgreens pharmacist regarding any concerns.

“Early detection of disease provides better health and will actually reduce healthcare costs in the future,” Greg Wasson, CEO of Walgreens, said at the launch on the Today Show. “Last year, 72 percent of participants had high blood pressure and did not know it.”

Those participants alone may have helped prevent costly bills associated with heart disease, stroke or other serious conditions often caused by high blood pressure. In fact, of the participants screened in 2008:

- 72.8 percent had high blood pressure levels
- 68.2 percent had high body mass index
- 65.9 percent had low bone density
- 60.5 percent had a waist circumference outside of the normal range
- 38.0 percent had high cholesterol levels
- 13.3 percent had high glucose levels

The nationwide tour schedule is available at aarpwalgreens.com/tour or by calling 866-484-TOUR (8687). However, if you’re interested in having the Wellness bus attend an event at your organization, contact your account representative to see if it meets the requirements.

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Upcoming Conferences

Walgreens will participate in the following health plan conferences this fall. Please stop by our displays, meet our representatives and learn about the many products and services we have available for you and your members.

Dates	Conference	Location
July 26-28	Michigan Association of Health Plans (MAHP) 24 th Annual Summer Conference	Crystal Mountain Resort Thompsonville, MI
August 16-19	Florida Workers' Compensation Institute 64 th Annual Compensation Educational Conference and 21 st Annual Safety and Health Conference	Orlando World Center Marriott Resort & Convention Center Orlando, FL
September 20-22	Florida Association of Health Plans (FAHP) 2009 Annual Conference	Ginn Hammock Beach Resort Palm Coast, FL
October 4-6	BlueCross BlueShield Association (BCBSA) Fall Distinctively Blue Conference	Westin Peachtree Plaza Atlanta, GA
October 19-21	California Association of Health Plans (CAHP) 24 th Annual Conference	JW Marriott Resort & Spa Palm Desert, CA
October 20-22	Texas Association of Health Plans (TAHP) 2009 Texas Managed Care Conference and Trade Show	Hyatt Regency Lost Pines Resort & Spa Austin/Bastrop, TX

National Observances

Some upcoming health-related observances are listed below to help you plan health fairs and other activities. For more information, log on to the sponsoring organization's web site. For a listing of this year's national observances, visit healthfinder.gov.

Observance	Date	Sponsor, Web Site
Juvenile Arthritis Awareness Month	July	Arthritis Foundation www.arthritis.org
UV Safety Month	July	American Academy of Ophthalmology www.aaopt.org/eyemd
National Immunization Awareness Month	August	National Center for Immunization and Respiratory Diseases; CDC www.cdc.gov/vaccines
Children's Eye Health and Safety Month	August	Prevent Blindness America www.preventblindness.org
National Health Center Week	August 9-15	National Association of Community Health Centers www.healthcenterweek.org
Healthy Aging [®] Month	September	Educational Television Network, Inc. www.healthyaging.net/events.htm
Ovarian Cancer Awareness Month	September	National Ovarian Cancer Coalition www.ovarian.org
World Alzheimer's Day [™]	September 21	Alzheimer's Disease International www.alz.co.uk/adi/wad



Rx Drug Update

The FDA recently approved the following new medications:

Drug Name	Company/ Availability	Indication(s)	Dose Form(s)	Regimen	AWP as of June 2009
Afinitor [®] (everolimus) tablets	Novartis Currently available	Treatment of advanced kidney cancer	5 mg and 10 mg tablets	One tablet daily	\$228.75 per 5 mg tablet \$241.25 per 10 mg tablet
Uloric [®] (febuxostat) tablets	Takeda Currently available	Treatment of chronic gout	40 mg and 80 mg tablets	One tablet daily	\$5.62 per tablet
Simponi [™] (golimumab) injection	Centocor/ Ortho Biotech 3rd quarter 2009	Treatment of rheumatoid arthritis, psoriatic arthritis, ankylosing spondylitis	50 mg subcutaneous injection	One injection monthly	\$3,937.50 per dose
Fanapt [™] (iloperidone) tablets	Vanda 3rd quarter 2009	Treatment of schizophrenia	1 mg, 2 mg, 4 mg, 6 mg, 8 mg, 10 mg, 12 mg tablets	One tablet twice daily	NA
Cycloset [®] (bromocriptine) tablets	VeroScience 4th quarter 2009	Treatment of type 2 diabetes	0.8 mg tablets	Variable	NA

New Rx Indications

The FDA approved the following medications for new or expanded indications:

Drug Name	Original Indication	New Indication
Symbicort [®] (budesonide/formoterol) inhalation	Treatment of asthma	Treatment of chronic obstructive pulmonary disease (COPD)
Lexapro [®] (escitalopram) tablets	Treatment of depression and anxiety in adults	Treatment of depression in adolescents age 12 to 17
Cimzia [®] (certolizumab) injection	Treatment of Crohn's disease	Treatment of rheumatoid arthritis

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Strong Management of Specialty Pharmacy Drugs Achieves Savings

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We Make It Simple to Protect Infants Against RSV

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The AARP®/Walgreens Wellness Tour Promotes Early Detection of Disease

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New Rx Indications and Rx Drug Update

Food and Drug Administration (www.fda.gov)

American Society of Health-System Pharmacists® (www.ashp.com/shortage)

P&T Community (www.ptcommunity.com)

Pharmaceutical News Harvest™ (www.internetdrugnews.com)

Drugs.com™ (www.drugs.com)

Pharmacy OneSource® (www.pharmacyonesource.com)

Facts and Comparisons® 4.0 (<http://online.factsandcomparisons.com>)

To access Rx Matters online, go to WalgreensHealth.com/mcnewsletter.

For information about Walgreens Health Services, call 866-728-5795 or email rxservices@walgreens.com.

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