

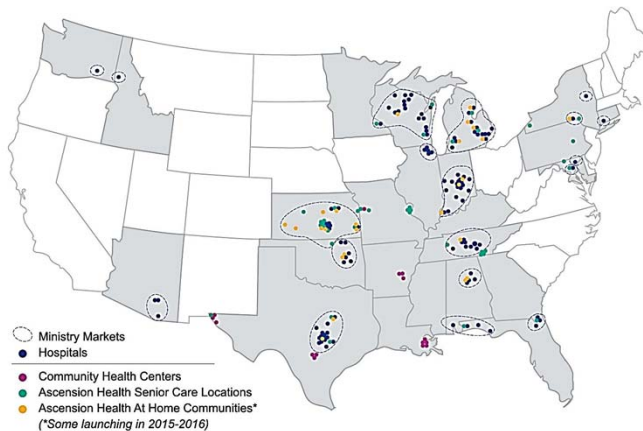
INCREASING DRUG PRICES PUT PATIENTS AT RISK



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Ascension Health Footprint

National Presence



Mission-focused multi-market health delivery system with a demonstrated ability to deliver high-quality, low-cost, personalized and compassionate care

- 1,900 Locations
- 131 Hospitals
- 21,936 Beds
- 153,000 Associates
- 24 States & DC

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Solutions

The Resource Group is a business transformation consultancy specializing in the area of non-payroll spend and the processes that sustain the value of the transformation.

Operations & Logistics

Change Management

Contract Design & Sourcing

Solution Management Office

Solutions

Analytics

Measurement & Audit


Participant Integration

Purchased Services Integration

Solution Support

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Challenges that impact care

Drug costs are rising faster than ever

- High costs threaten patient access to critical treatments, increase patient out-of-pocket expenses, and create additional financial burden for hospitals and patients.
- Drug companies are:
 - **increasing prices for age-old brand name and generic drugs; often 2 or 3 times each year, with no forewarning or expectation of increases from the marketplace.**
 - **designating products for a higher cost specialty distribution channel with no reasonable basis for such designation.**
- Increases often seem to be in controlled markets and focused on mature products where little competition remains.

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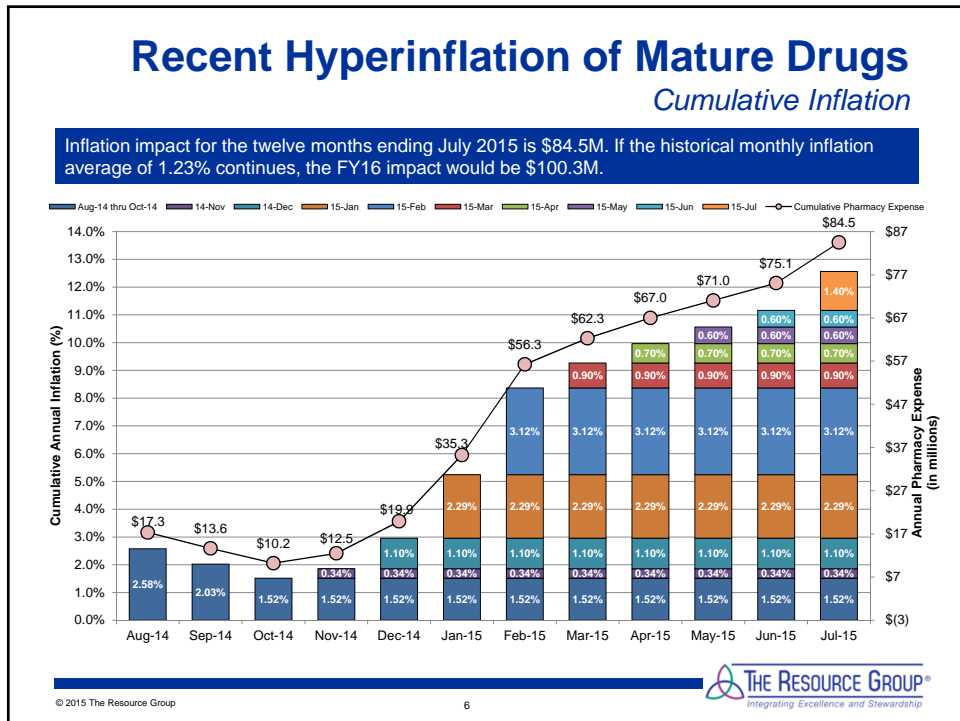
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BRAND DRUGS	2014	2015	REAL IMPACT ON AVAILABLE CARE DOLLARS	INCREASE	GENERIC DRUGS	2014	2015	REAL IMPACT ON AVAILABLE CARE DOLLARS	INCREASE
IBACALCIN Used to reduce high blood levels of calcium as well as treating certain bone problems such as Paget's disease.	\$60.00	\$1,880.00	\$3,900,000	↑ 3,033%	PROCTOSOL HC CREAM Used for the treatment of minor pain, itching, swelling and discomfort caused by hemorrhoids.	\$3.00	\$54.00	\$145,000	↑ 1,700%
ISUPREL Used in mild and serious episodes of heart block and cardiac arrest.	\$2,060.00	\$17,000.00	\$6,800,000	↑ 725%	POTASSIUM CHLORIDE ORAL SOL Treatment or prevention of hypokalemia.	\$25.00	\$350.00	\$270,000	↑ 1,300%
BLOXIVERZ Used to reverse effects of neuromuscular blocking agents after surgery.	\$130.00	\$880.00	\$2,100,000	↑ 501%	VASOPRESSIN Used to increase blood pressure in adults in shock as well as treat symptoms of diabetes insipidus and certain conditions of the stomach after surgery.	\$89.00	\$875.00	\$490,000	↑ 880%
NITROPRESS Used for the immediate reduction of blood pressure in hypertensive crisis.	\$200.00	\$833.00	\$5,100,000	↑ 317%	SODIUM PHOSPHATE Used for the treatment of Hypophosphatemia.	\$68.00	\$437.00	\$200,000	↑ 650%
EDECRIN Used in the treatment of edema associated with congestive heart failure or cirrhosis of the liver.	\$1,510.00	\$3,780.00	\$760,000	↑ 150%	MITOMYCIN Use for the treatment of cancer.	\$185.00	\$947.00	\$448,000	↑ 412%
MEPHYTON Used in the treatment of bleeding problems caused by low vitamin K blood levels.	\$1,930.00	\$4,830.00	\$450,000	↑ 150%	EPHEDRINE Used as a decongestant and bronchodilator for the temporary relief of shortness of breath, chest tightness and wheezing due to bronchial asthma.	\$102.00	\$331.00	\$825,000	↑ 225%
ONCASPAR Used as part of a multi-agent chemotherapeutic regimen for the treatment of Lymphoblastic Leukemia.	\$5,900.00	\$13,300.00	\$1,100,000	↑ 125%	FLUCYTOSINE Used for the treatment of serious fungal infections of the blood, lungs, heart, central nervous system, and urinary tract.	\$3,400.00	\$11,000.00	\$270,000	↑ 224%
EPIPEN Used to treat severe allergic reactions, including anaphylaxis in emergency situations.	\$290.00	\$440.00	\$280,000	↑ 52%	METHYLENE BLUE Used for the treatment of infections, pathologies or poisoning and as a dye for diagnostics.	\$465.00	\$1,315.00	\$516,000	↑ 189%
GLUCAGEN Used to treat severe hypoglycemia.	\$110.00	\$160.00	\$400,000	↑ 45%	KETOROLAC TROMETHAMINE Non-steroidal anti-inflammatory used to treat pain and inflammation.	\$16.00	\$30.00	\$206,000	↑ 88%
HUMIRA Used as a treatment for a variety of conditions including rheumatoid and psoriatic arthritis, ankylosing spondylitis, Crohn's Disease and ulcerative colitis.	\$2,370.00	\$3,030.00	\$430,000	↑ 28%	SUCCINYLCHOLINE CHLORIDE As an adjunct to general anesthesia, to facilitate tracheal intubation and to provide skeletal muscle relaxation during surgery.	\$235.00	\$367.00	\$425,000	↑ 56%

* Drug.com and RxList.com were among the sources utilized for the drug use descriptions on this slide

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Integrating Excellence and Stewardship



How we are responding

Transformational work



Created a joint physician, pharmacist, nursing and administrative leader group to determine evidence-based, safe and cost-effective use of alternatives



Developing a national formulary to reduce unnecessary variation across the organization which focuses on patient and clinician needs – not drug supplier marketing efforts.



Launched a national initiative that will further increase time for clinical pharmacists to assist the safe therapeutic exchange of drugs.

THANK YOU