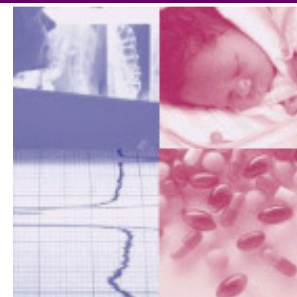


ACAP

Association for Community Affiliated Plans

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MedMetrics Health Partners, Inc. Selected as a Preferred PBM Vendor for ACAP; Builds on Successful Track Record with Neighborhood Health Plan

Earlier this year, ACAP selected MedMetrics Health Partners as a preferred PBM for its member organizations. MedMetrics is a new kind of PBM with a focus on full transparency, a unique full pass-through pricing model, and a commitment to sound, reliable, evidence-based clinical programming. In addition to being the only mission-driven, non-profit PBM in the country, MedMetrics has carved out a unique position in the marketplace due to its having been founded by the University of Massachusetts Medical School.

The MedMetrics – NHP Results

ACAP was introduced to MedMetrics by Neighborhood Health Plan (NHP) in Boston, a founding ACAP member. NHP selected MedMetrics as its PBM in late 2004. With MedMetrics, NHP has experienced substantial results, including a second straight year with a Medicaid pharmacy cost trend less than 1%. According to NHP, this trend has been accomplished through implementation of a broad array of clinical programs and services designed to maximize cost-efficiency while still ensuring optimal quality of pharmaceutical care. Today, NHP's generic utilization rate approaches 77% in both its Medicaid and Commercial programs – clearly defining NHP as an industry leader in driving effective generic use.

NHP was particularly interested in MedMetrics for its unique clinical relationship with UMass Medical School, a nationally-recognized academic institution, which allows the PBM to offer a broader and more sophisticated degree of clinical programming and guidance. MedMetrics' proficiency in supporting P&T Committee activity has enabled NHP to tap into a substantial library of new drug monographs, full drug class reviews, and evidence-based clinical coverage guidelines which are routinely reviewed and updated to ensure consistency with the latest clinical data and expert consensus recommendations.

The Roots of Success

In choosing MedMetrics as its PBM, NHP recognized that MedMetrics offers a unique business model that creates a higher level of trust by aligning its financial incentives with those of its clients. Utilizing a fully pass-through and accountable business model, MedMetrics offers NHP a revenue structure that is completely transparent – a phrase that is often used and misused in the PBM industry today. By eliminating pharmacy price spread, decreasing emphasis on maximizing manufacturer rebates, and disclosing all potential revenue streams, MedMetrics is able to focus on helping health plans manage their pharmacy benefit's true net drug costs. The NHP–MedMetrics results demonstrate the PBM's commitment to creating partnerships that provide top-quality, cost-effective, evidence-based care.

Interestingly, NHP wasn't seeking a new PBM when MedMetrics first approached them. In fact, the health plan wasn't particularly dissatisfied with their current vendor. But MedMetrics appealed to NHP with a custom approach to pharmacy benefit management and some innovative strategies that indicated they understand the managed Medicaid marketplace. "Our experience demonstrates that a plan that is not dissatisfied with their current PBM can nonetheless reap benefits from switching to MedMetrics," states Dr. Jim Glauber, NHP's Medical Director. Further, the transition from NHP's former, for-profit PBM "was well-managed and smooth," according to Glauber, speaking of their 90-day implementation process, which is often seen by health plans as another obstacle to switching PBMs.

The Bottom Line

After the first year of their contract, NHP and MedMetrics hired an independent, third-party auditor to review the pharmacy program to determine whether MedMetrics had delivered on its promise of substantial savings. In fact, the independent auditors found that MedMetrics had significantly surpassed its aggressive savings targets.

MedMetrics provides a unique opportunity to NHP in managing their pharmacy benefit. "We have always been aggressive in the management of our pharmacy benefit and our selection of MedMetrics as our PBM was the natural next step," says Dr. Glauber. "MedMetrics delivers a measurable clinical result in part because their commitment to transparent dealings allows us to fully analyze and measure all aspects of our plan's performance. Considering their superior clinical depth to support our P&T decisions, their accessibility, flexibility, responsiveness and customer service excellence, MedMetrics is the PBM for public sector-focused health plans."