



PriceMDs Implementation Guide

A step-by-step guide to
overlay the PMDs program
into a self-funded health plan



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Document Purpose

This document outlines the steps required to ensure that the PMDs Treatment Cost Containment (TCC) Program is successfully implemented, communicated and managed. It will quickly become apparent the program provides a light touch overlay to your existing health plan. Our team of Client Experience professionals, Registered Nurses and Licensed Physicians will guide employers and their covered members through the process. Programs are typically contracted in 2 to 4 weeks; onboarding employees generally takes 2 to 4 weeks. The speed of implementation is largely driven by the employer and vendors. PMDs has contracted, onboarded members and delivered the first medications fill in under 30 days. Let's get the savings started.

Overview

What is PriceMDs Prime Plus?

The Prime Plus Treatment Cost Containment (TCC) Program is a simple, bolt-on solution that enables employer-paid, self-funded health plans to purchase their highest cost specialty drugs, the exact same medications from the exact same manufacturers, for significantly less cost. The program has no cost to the employer, does not interrupt existing relationships, and delivers convenience and cost savings to covered employees.

Employers reduce the cost of their highest cost specialty drug spend by an average of \$30,000 per participating member per year. This equates to a savings of \$30PEPM (per employee per month) across the *entire* plan population. The program has a very light impact to the plan – ONLY touching 1% to 2% of the total plan-eligible employees, i.e. - *an average of 120 participants in a population of 10,000.*

Low-cost drugs via telemedicine – How did we get here?

In 2020, the global pandemic drove legislative changes to U.S. Federal Law regarding the '*personal importation provision*' for drugs. These changes enabled individuals to satisfy all protocol and legal requirements through a telemedicine process to import FDA-approved medications directly to an individual from outside the U.S.

PriceMDs excels at the multi-dimensional challenge of meeting the complex protocols of the governing agencies; the FDA, USDA, and CPB (Customs & Border Patrol), the requirements of HIPAA and ERISA regulators, and the global logistics needed to guarantee a predictable, consistent delivery of medications (including hard to ship cold chain meds) from a European manufacturer to an individual's home in the United States.

Program Benefits

The PriceMDs team consists of experienced business leaders and highly qualified medical practitioners. Our legal representation and ERISA compliance partners are recognized as some of the very best in the industry. We have extensive global supply chain logistics experience, and utilize the best providers in the world, and we have a proven track record. **The program produces numerous advantages:**

- **No Cost to the Employer** – No implementation or termination fees. No PEPM.
- **All Inclusive Pricing** – No additional or surprise billing. Pricing locked in for one year.
- **No Cost to the Employee** – Typically eliminates all deductibles, coinsurance and co-pays.
- **No Risk** – As the ‘Importer of Record’, PMDs has chain of custody and delivery responsibility.
- **Legally Sound** – Our team, Greenberg Traurig/The Phia Group, ensures the program is legally sound.
- **Compliant** – Meets all FDA, USDA and CBP (Custom & Border Control) protocols.
- **Fully Insured** – Our nurses, doctors and shipping processes are covered by E&O, malpractice.
- **Uncomplicated Contract** – A bolt-on program with a simple 4-page Service Agreement.
- **No Interruption** – To plan or existing relationships: stop loss, PBM, doctors or patient members.
- **A Flexible Program** – Employer chooses when, how, to whom, and which medications apply.
- **Guaranteed Performance** – With PriceMDs Intact & In Time medication delivery guarantee.

Program Success What we’ve learned

The PriceMDs Program costs nothing to join, but savings are only realized when the selected members use the program. We have designed a process with this in mind and it works! – to date *we have never had a member leave the plan because they were dissatisfied*. Your success starts with acknowledging how people are wired. Most must be enticed to adopt a new behavior, even if that new thing is easy and creates a demonstrable benefit to them. In our experience, most employees need a combination of good communications and an incentive to participate in the PriceMDs Program. Once they do, they almost universally love the program – see our happy customer testimonials.

Executive Summary The easy steps to saving:

PMDs and Employer complete contracting and program setup. *Timeline: 2-6 weeks*

- Complete a simple agreement process – 4-page *Services Agreement*
- Identify how you want to roll out the program – *Select who, when and how*
- Announce the program to plan members – *The employer sends a simple email*

PMDs onboards selected members. *Timeline: 3 to 4 short Televideo Calls over 2-week period*

- **Call 1:** A PMDS Nurse gains HIPAA release & collects the members case details (*~20min Televideo Call*)
- **Call 2:** A PMDS Physician reviews member case details to meet FDA protocols (*~20min Televideo Call*)
- **Call 3:** A 2nd PMDS Physician completes the process (*~20min Televideo Call*)
- **DONE:** Members receive a 90-day supply of their meds, delivered to their door in 14-21 days.

Onboarding Details 3 Easy Steps for the Employer

The average time from starting the process to members receiving meds is 5-8 weeks. We've done it in 4.

Step 1 Sign a simple usage agreement

The bolt-on program applies a very light touch to the existing health plan. Adding the program does not interrupt existing relationships with the TPA, stop loss provider, PBM, or physicians, and generally requires only a simple modification to the group's plan document with sample language provided to PMDs from The Phia Group (ERISA Attorneys). There are no signup or termination fees and no PEPM costs.

- **Timeline:** Typically, 2 to 4 weeks.
 - **Who does it:** Employer's leadership, supported by PMDs as needed.
 - **Tasks:** Review agreements and address any open questions.
- A mutual NDA – *if not previously completed (usually done earlier via DocuSign)*
 - PriceMDs Services Agreement – *a simple 4-page user agreement*
 - Business Associates Agreement – *enabling PMDs access to onboard selected members*

1.1 Contract details.

- Amend Plan Language and Obtain Stop-Loss Approval. PMDs supplies the contract language from The Phia Group.
- Complete and submit New Group Installation Form. Key information:
 - Set up invoicing – Confirm who will be the payor and where to send invoices.
 - Confirm claims process with TPA and Stop-Loss carrier.
 - Determine how to handle QHDHP (*if applicable*).
 - Determine shared savings/incentive design.
 - Determine reporting process.
- Schedule implementation call with the employer group and all necessary stakeholders.
- Review PMDs process and Installation form information.
- Provide detailed Rx Claim Report of eligible members (must contain contact information – address, phone number, and email).
- Arrange for PMD to receive quarterly Rx claims files for identification and outreach to future program candidates.
- Setup Reporting parameters: Determine the type, frequency and who has access.

Step 2 Choose program options that fit your culture & objectives

The program can be tailored to meet the company's business and strategic objectives while having the flexibility to consider the needs of the health plan's highest drug cost members. The PMD team will assist the employer in customizing the program to fit their objectives in four easy areas:

- **Timeline:** Typically, 1 to 2 weeks.
 - **Who does it:** The employer's Benefit Admin/leadership team, supported by their broker and PMDs.
 - **Tasks:** Select the high-cost medications to source, the employee members to include, the program launch timing, and the details on how to present and communicate with employee members.
- **Critical to Program Success:** Develop a communication plan with a company representative (*who is authorized to view PHI*), review the welcome letter and add the group's logo (*if applicable*).

2.1 Select the high-cost specialty drugs to buy via direct source

- The program does not provide narcotics, steroids or other drug classes prone to misuse.
- The program does not cover medications that carry a manufacturer's severe black box warning. (ie: If heart attack or stroke are a potential side effect – NO. If tummy ache – OK)
- The program does not provide 'virgin-dosing' (the first time a patient is prescribed a new med).
- This helps ensure that new scripts are confirmed safe and effective by the primary care doctor.
- The employer can 'carve-out' any drug for any reason, ie: *If a drug you buy today has a great rebate and the PMD savings would be low, you can continue with the current source.*

2.2 Select the candidates for initial program rollout

- The program is available to employees with a monthly drug cost of \$3,000 or more. This 'Addressable' segment is between 1% and 2% of the total members on the health plan.

2.3 Select launch timing for the program

- The bolt-on program can be added anytime, in or outside of the open enrollment cycle.
- Employers can choose to offer the program to ALL the addressable employees in the initial roll out, or they can roll the program out in stages, starting with the most easily accessible.
- Remember: The company saves ~\$30,000 per year for every active member in the program!

2.4 Select how employees will engage the program

- In almost every case, employers choose to incentivize their qualified employees to speed adoption.
- **Incentives Pay Dividends** – The more your highest-cost members use the program, the more your company saves. PriceMDs clients maximize participation, and savings when they offer employees a strong incentive to participate.

3 primary ways to incentivize members to use the program:

- ① **Eliminate the employee's out-of-pocket cost by waiving deductibles and co-pays.**
There are a few options to achieve this: The covered employee may be responsible for paying their deductible when they have a QHDHP (at least the IRS statutory minimum requirement). PMDs can assist with the billing and administration of the deductible to achieve minimum statutory requirements and eliminate employee out-of-pocket expenses.
- ② **Provide employees with a financial bonus.**
Some PriceMDs clients have driven high participation by offering employees on the plan a financial incentive to try the program (\$500 or \$1000) with a smaller (\$250 - \$350) incentive for subsequent fills. Once they try it, employees tend to stay on it for the convenience. In practically every case all incentive costs are recouped in the savings realized from the first fill.
- ③ **Highlight the employee's value:**
NO changes to their current physician relationships, a trusted second opinion from a U.S. trained and board-certified physician, a registered nurse assigned to them, and the convenience of direct-to-their-doorstep 90-day fills. These benefits become self-evident once an employee gets into the program – it's why the ONLY time a member has left the program is because they changed companies or came off the meds.

Q: How and when do we recoup the cost of the incentives?

Remember that the average savings per member on the plan is \$30,000 per year (*savings that will not be realized unless the employee participates!*). In most cases the company recoups the incentive savings in the first fill.

Note: A few members have left the company, or completed treatment and left the program, but in over 4 years, *we have never lost a member due to dissatisfaction with the program.* Once members realize the benefits of the PMDs program, they love it and stay on it.

Step 3 Announce the program to the selected employees

The employer communicates to their employee members who qualify and have been selected for the program. This is typically a simple email announcing a new benefit available to them, which also alerts them to be on the lookout for a Welcome Kit sent to their home via FedEx.

- **Timeline:** Typically, 1 to 2 weeks.
 - **Who does it:** A member of the company's HIPAA-certified team communicates with employees.
 - **Tasks:** Schedule a brief call or face-to-face meeting to educate. Send a simple BCC email to employees alerting them to a forthcoming FedEx from PMDs.
- Employer's HIPAA-certified staff shares the selected employees' information with their PMDs contact for the preparation of the WelcomeKit.
 - With a simple one-sentence email, and the employer's name in the return address of the Welcome Kit, the employer can maximize savings without any additional burden on the HR staff.

The PriceMDs team completes the onboarding process:

The PriceMDs team of Nurse Navigators and staff physicians applies a proven process to onboard your eligible employees. The one-time onboarding process is short (typically requiring 3 to 4 phone calls of approximately 20 mins each). Program members are assigned a specific Nurse Navigator who stays with that member for as long as they are on the program. Employees love the white glove service they receive. All our Nurse Navigators are U.S. citizens, U.S. educated & trained, and U.S. licensed. Our staff physicians are U.S. educated & trained, and U.S. double board-certified sub-specialists.

- **Timeline:** Typically, 1 to 2 weeks.
- **Who does it:** PMDs team of Onboarding Specialists, Nurse Navigators and Physicians.
- **Tasks:** Prepare and send a Welcome Package and engage eligible employees via telecalls to complete the onboarding process

- The PMDs team will send a **Welcome Package** to each member via FedEx to arrive at their home. The package label will include the employer’s name and PriceMDs’ to ensure that the employee understands it’s from their company.



PMDs Welcome Packet

- Program description – highlighting the benefits to the member
- FAQs
- Personalized ID card – member’s nurse’s name and contact info.

PMDs Step 1 Implementation – Onboarding

The process to onboard the selected employee/insured members is managed by a team of PMDs Nurse Navigators and on staff Physicians*, and typically requires 2 to 4 weeks to complete. For the employee, it's a simple one-time process that brings multiple advantages to them.

PMDs nurses are U.S. citizens, U.S. educated & trained, and U.S. licensed. Our physicians are U.S. educated, U.S. trained, double board-certified sub-specialists.

- **Timeline:** Typically completed in 1 to 2 weeks.
- **Who does it:** PMD Nurse Navigator.
- **Tasks:** Introduce themselves and the program. Confirm receipt of the Welcome Package. Complete a few phone calls to re-direct the member's existing prescription to a direct-to-source international prescription that meets FDA, USDA and CBP protocols. Get medications moving.

PMDs 1.1 Preliminary Call (~20 min call)

- A PMDs Nurse Navigator contacts each selected employee via a telecall to review their Welcome Packet. They secure a HIPAA release, gather the patient's medical records, and confirm that lab work is up to date. If the member doesn't have a valid passport (an FDA protocol requirement), the Nurse Navigator educates about how to acquire an expedited passport (typically takes 2-3 weeks). After receipt of passport, a call is scheduled with a PMDs on-staff physician to continue the process.

PMDs 1.2 Telemedicine Call 1 of 2 (~20 min call)

- A PMDs physician (based outside the U.S., an FDA protocol requirement), reaches out to the employee via real-time Televideo call to review their case to ensure that records and labs are up to date, and to confirm that their existing U.S. prescription is current and accurate. Members gain a second opinion with no disruption to their primary treating doctor, or their medication regimen. This video conference with the international physician is only required once per year.

PMDs 1.3 Telemedicine Call 2 of 2 (~20 min call)

- A PMDs physician (based in the U.S. and licensed in the state where the medications will be shipped, another FDA protocol requirement), reaches out to the employee via real-time Video Call to complete the process. Medications are sourced and scheduled to arrive within 14 - 21 days.

PMDs 1.4 Medications Arrive – Wrap Up Call (~5 min call)

- The member receives a call from our best-in-class global logistics courier to arrange a convenient time for their medications to be delivered to their home. The patient must sign for their meds.
- Their 90-day fill arrives directly to their door, including all the required FDA, USDA and CBP paperwork. If the medicine is cold chain, the package contains a temperature and humidity tracking USB device which shows the member the condition of the medication during the entire journey, from manufacturing facility to their door. All meds are fully guaranteed.
- The member's Nurse Navigator follows up to ensure complete satisfaction and address any storage or usage questions relating to their prescription.

PMDs Step 2 Program Management

PMDs Nurse Navigators remain fully engaged with participating members. Your PMD Account Manager will provide ongoing status reports. **Your PMDs team will:**

- Provide business review and strategic planning sessions (*annual or semi-annual*) to refine the program and align future goals and objectives.
- Accept a monthly or quarterly PBM run to capture new users.
- Provide program utilization and savings reporting (monthly, quarterly or semi-annually).
- Provide ongoing legislative updates from Greenberg Traurig.*

*Greenberg Traurig is an international law firm founded in Miami, Florida, in 1967. The firm has 2,200 attorneys, in 40 locations on 3 continents. The firm current ranks #14 in the AM Law 100 by gross revenue, and in the top 20 of the Global 200.

The Phia Group provides industry leading consultation, plan drafting, subrogation and other health care cost containment techniques, including comprehensive claims recovery, plan document and consulting services designed to control health care costs and protect plan assets.

- Provide any open enrollment assistance relating to the PMD program



U.S. Customs and
Border Protection



LEGAL / ERISA

