

2018 IMPACT REPORT: PRESCRIPTION PRICE TRANSPARENCY



Prescription price transparency made an impact on the lives of clinicians and their patients in 2018. The impact was undeniably positive. **More than 100,000 clinicians gained access to patient-specific information at the point of care** to avoid time-consuming prior authorization and retrospective prescription changes. And patients throughout the nation got their medications at an affordable price, faster and with much less hassle.

Price transparency is not a myth. It's the reality. And today's patients expect it.

Traditional prescribing is plagued by information gaps and unwelcome surprises that can delay—or completely derail—the patient’s treatment. Rising drug costs, the burden of manual prior authorization and lack of insight on therapeutic alternatives present a major challenge. Patient-specific information at the point of care can meet this challenge—if clinicians have access to it.

87%

of healthcare professionals say that understanding their patients’ prescription costs is a significant or moderate challenge.¹

78%

of healthcare professionals think it’s very important to have access to information on patients’ out-of-pocket costs.²

69%

of healthcare professionals think it’s very important to have access to information on lower-cost therapeutic alternatives.³

And while most healthcare professionals report that they have access to e-prescribing tools (88 percent), **just 23 percent report that they have access to electronic prior authorization, and only 14 percent report that they have prescription pricing information** pulled directly into their EHR workflows.⁴



HIGH COST DRUGS = MEDICATION NON-ADHERENCE

Rising drug costs have raised the stakes. Prescription spending growth is projected to average **6.3 percent annually between 2017 and 2026**—above the projected 5.5 percent annual growth in healthcare spending overall.⁵ Today, prescriptions consume **17 percent** of all spending on personal healthcare services among patients.⁶ These costs negatively impact medication adherence. For example, just a **\$10 copay** increase raises the likelihood of prescription abandonment by 10 percent.⁷

GROWTH IN PRESCRIPTION SPENDING OUTPACES TOTAL HEALTHCARE SPENDING GROWTH



MANUAL PRESCRIBING = WASTED TIME

Manual prior authorization is a retrospective burden that involves phone calls, faxes and paperwork. A majority of clinicians—**64 percent**—report waiting at least one day for prior authorization processing.⁸ Put simply, manual prior authorization is a waste of time. In general, healthcare professionals who operate without patient-specific information at the point of care spend hours on non-clinical and administrative tasks.⁹

AVERAGE TIME SPENT ON ADMINISTRATIVE TASKS PER CLINICIAN



Drug costs, manual prior authorization and lack of insight on therapeutic alternatives create conditions that are ripe for non-adherence. In fact, up to **10 percent** of hospital admissions¹⁰ and one-third of adverse drug events resulting in admission are caused by non-adherence.¹¹



**PATIENT
ARRIVES
AT CLINIC**

TRANSFORM HOW CLINICIANS, PHARMACISTS & PATIENTS INTERACT

Surescripts Real-Time Prescription Benefit gives clinicians access to benefits-based, patient-specific information, including out-of-pocket costs, flags for prior authorization and therapeutic alternatives (including those that don't require a prior authorization) directly within the EHR. It enables clinicians to engage in meaningful conversations with patients at the point of care, eliminates patient "sticker shock" and improves medication adherence.

With this information at hand, clinicians can make truly informed prescribing decisions.



**EHR INTEGRATED &
FORMULARY BASED**
The e-prescribing process begins while the patient is still in the clinic.



**ACCURATE DATA
UPDATED IN REAL TIME**
Real-Time Prescription Benefit shows up to five alternatives based on patient information pulled directly from PBMs into clinicians' EHR workflows.

MEASURABLE IMPACT FOR PATIENTS AND PROVIDERS

IMPROVE ADHERENCE

Combined with E-Prescribing, access to group-level formulary information at the point of care increases first-fill medication adherence by **20%**.¹²

SAVE TIME

Prescriptions flagged for prior authorization: 28% changed to a drug with no prior authorization required, saving **158,000** hours of potential wait time in Dec. 2018.¹³

REDUCE COST

Real-Time Prescription Benefit saved one patient as much as **\$8,032** on a single prescription in Sept. 2018.¹⁴

PROTECT PATIENT & PROVIDER CHOICE

Surescripts ensures network neutrality. This means no steerage to just one pharma-sponsored drug. With therapeutic alternatives displayed on-screen, the clinician selects the ideal medication option for the patient.



PATIENT ARRIVES AT PHARMACY



AUTOMATED ELECTRONIC PRIOR AUTHORIZATION

Clinician is shown if prior authorization is required. If so, Electronic Prior Authorization is initiated, reducing administrative work and speeding time to therapy.

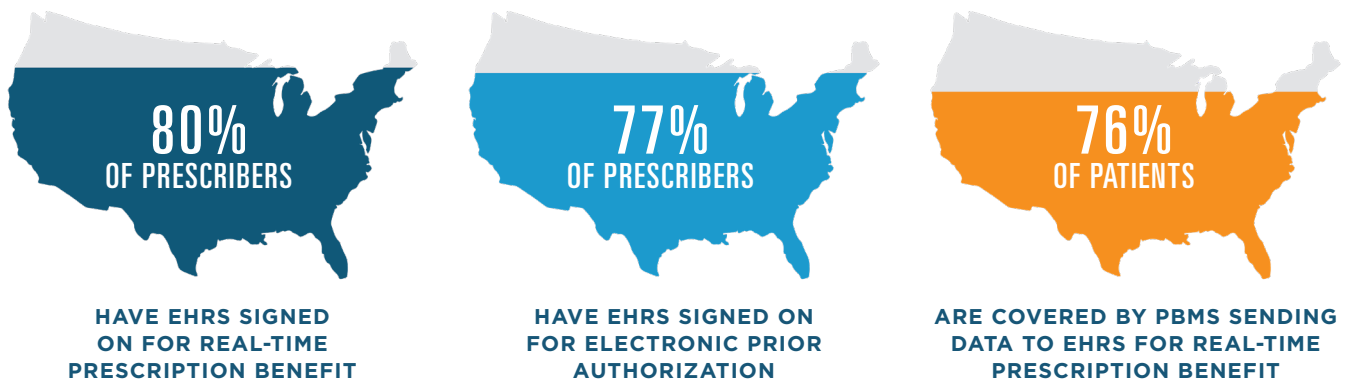
NO STICKER SHOCK AT THE PHARMACY

Together, the clinician and patient are able to make the best choice of therapy. Price transparency decreases prescription abandonment and increases medication adherence.

NATIONWIDE EXPANSION DRIVES SIGNIFICANT BREAKTHROUGH IN HEALTHCARE MARKET

The success of every member of the Surescripts Network Alliance™ depends on increasing the number of clinicians who use price transparency tools. And it depends on increasing the number of patients covered by PBMs that send data to clinicians' EHRs.

Since its launch in November 2017, the growth rate of provider adoption has been almost unprecedented—and we expect this growth to continue in 2019.



PROVIDER ADOPTION IS GROWING

The number of prescribers using Real-Time Prescription Benefit increased more than fortyfold since its launch in 2017. As of December 2018, **more than 100,000 prescribers are using the solution to access patient-specific information at the point of care.** These prescribers performed 6,300,000 benefit checks in that month alone.

1,338% YOY GROWTH IN 2018
REAL-TIME PRESCRIPTION BENEFIT

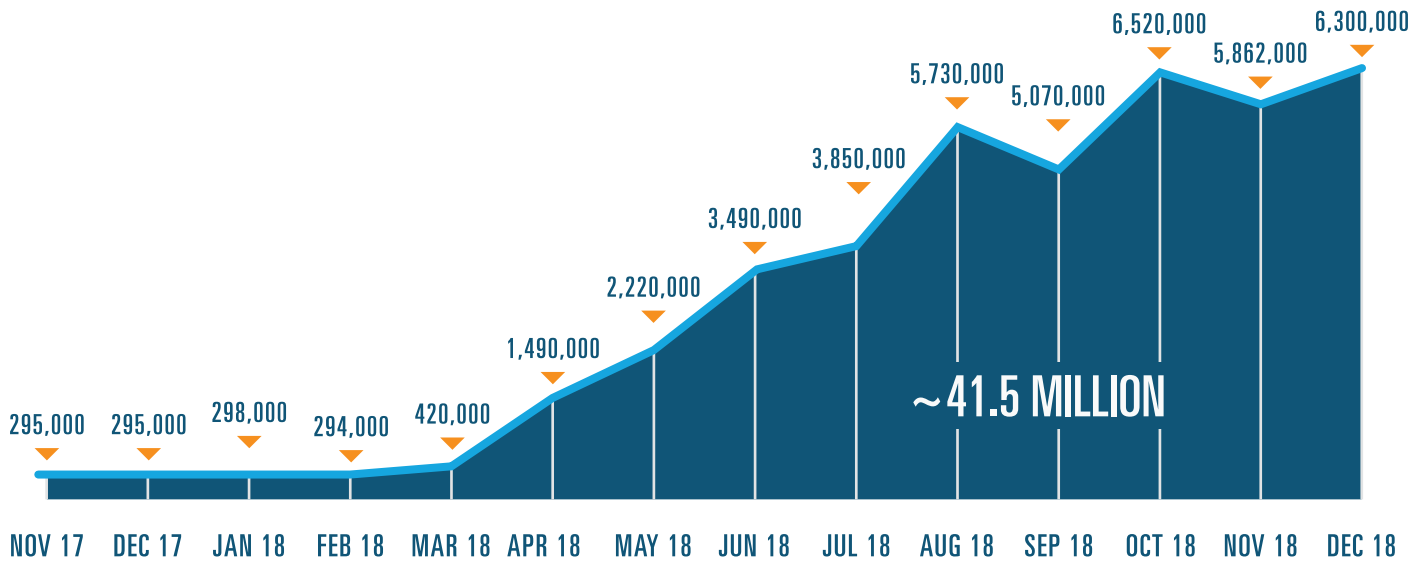
128% YOY GROWTH IN 2018
ELECTRONIC PRIOR AUTHORIZATION

AVERAGE SAVINGS* PER PRESCRIPTION BY PRESCRIBER SPECIALTY & THERAPEUTIC CLASS

(*when presented with lower-cost alternatives)

FAMILY PRACTICE	\$57	ANTIFUNGAL MEDICATION FOR SYSTEMIC USE	\$67
INTERNAL MEDICINE	\$47	ANTIDEPRESSANTS	\$105
OBSTETRICS AND GYNECOLOGY	\$69	LIPID MODIFYING AGENTS	\$26
PSYCHIATRY	\$228	BLOOD GLUCOSE LOWERING MEDICATION (EXCLUDING INSULIN)	\$88
CARDIOLOGY	\$21	BETA BLOCKERS FOR HYPERTENSION	\$11

MONTHLY NUMBER OF BENEFIT CHECKS PERFORMED BY PRESCRIBERS AT THE POINT OF CARE



TOP 5 SPECIALTIES USING ELECTRONIC PRIOR AUTHORIZATION

1
FAMILY PRACTICE

2
INTERNAL MEDICINE

3
PSYCHIATRY

4
PEDIATRICS

5
NEUROLOGY

WHAT'S AHEAD IN HEALTH IT FOR 2019

Tools that enable prescription price transparency and automated prior authorization will continue to make a measurable impact on clinicians and their patients. Our industry is on the right path. But there's more work to do. To realize the full potential of prescription price transparency, we must continue working to connect EHRs, clinicians and patients nationwide.

Patients expect (and deserve) high quality and affordable care. Clinicians expect quick and easy access to patient information. With Real-Time Prescription Benefit and Electronic Prior Authorization, we are making it happen.



Our purpose is to serve the nation with the single most trusted and capable health information network, built to increase patient safety, lower costs and ensure quality care. Since 2001, Surescripts has led the movement to turn data into actionable intelligence, and convened the Surescripts Network Alliance™ to enhance prescribing, inform care decisions and advance the healthcare industry.

1. Engine Group and Surescripts, survey of 502 U.S. healthcare professionals conducted in October/November 2018.
2. Engine Group and Surescripts, survey of 502 U.S. healthcare professionals conducted in October/November 2018.
3. Engine Group and Surescripts, survey of 502 U.S. healthcare professionals conducted in October/November 2018.
4. Engine Group and Surescripts, survey of 502 U.S. healthcare professionals conducted in October/November 2018.
5. Centers for Medicare & Medicaid Services, "CMS Office of the Actuary Releases 2017–2026 Projections of National Health Expenditures," February 14, 2018, <https://www.cms.gov/newsroom/press-releases/cms-office-actuary-releases-2017-2026-projections-national-health-expenditures>.
6. Centers for Medicare & Medicaid Services, "CMS Office of the Actuary Releases 2017–2026 Projections of National Health Expenditures."
7. Dana P. Goldman, Geoffrey F. Joyce and Pinar Karaca-Mandic, "Varying Pharmacy Benefits With Clinical Status: The Case of Cholesterol-lowering Therapy," *The American Journal of Managed Care* 12, no. 1 (January 2006). <https://www.ajmc.com/journals/issue/2006/2006-01-vol12-no1/jan06-2244p21-28>.
8. American Medical Association, "2017 AMA Prior Authorization Physician Survey," 2018, <https://www.ama-assn.org/sites/ama-assn.org/files/corp/media-browser/public/arc/prior-auth-2017.pdf>.
9. Engine Group and Surescripts, survey of 502 U.S. healthcare professionals conducted in October/November 2018.
10. Pajaree Mongkhon et al., "Hospital Admissions Associated with Medication Non-Adherence: A Systematic Review of Prospective Observational Studies," *BMJ Quality & Safety* 27, no. 11, April 17, 2018. <http://dx.doi.org/10.1136/bmjqs-2017-007453>.
11. Patrick J. McDonnell and Michael R. Jacobs, "Hospital Admissions Resulting from Preventable Adverse Drug Reactions," *Annals of Pharmacotherapy* 36, no. 9: 1331–1336, September 2002.
12. Jaime Y. Smith et al., "E-Prescribing with Decision Support Is Associated with Improvements in Medication Adherence," *The American Journal of Pharmacy Benefits* 8, no. 4:133–140, July–August 2016. http://www.ajpb.com/journals/ajpb/2016/AJPB_JulyAugust2016/eprescribing-with-decision-support-is-associated-with-improvements-in-medication-adherence.
13. Surescripts network data, December 2018; time savings analysis based on American Medical Association, "2017 AMA Prior Authorization Physician Survey."
14. Surescripts, "Data Brief: Price Transparency Boosts Patient Savings and Prescriber Efficiency," December 2018, https://surescripts.com/docs/default-source/pressrelease-library/realtimeprescriptionbenefit_patientsavingsresults_databrief_11-2018.pdf.