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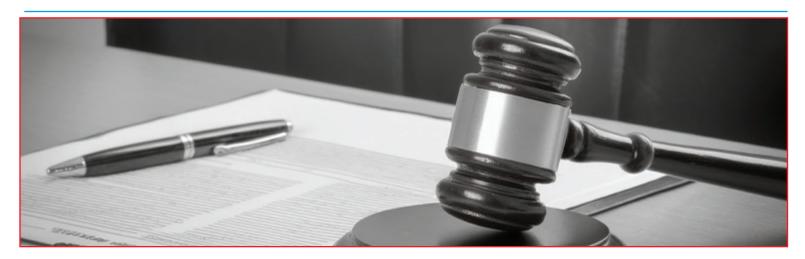
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ISSUE 4 - 2024

Proven Health Care Cost Reduction Through Strength in Numbers

PBMs IN THE NEWS AND ON THE FIRING LINE



by Josh Bindle, National CooperativeRx Chief Executive Officer

harmacy benefit managers (PBMs) have recently faced increased scrutiny due to negative media coverage, state and federal legislative reform proposals, and lawsuits challenging PBM practices.

While some criticisms have merit, they often contain inaccuracies and broad generalizations about the PBM industry: inflammatory language, bad reasoning, cherry picking of medications, anecdotal evidence, and weak research are all used to paint a picture that PBMs are bad actors. Additionally, much of the anti-PBM messaging has been driven by pharmaceutical companies and independent pharmacies, natural adversaries to PBMs.

In reality, PBMs play a crucial role in managing pharmacy benefits.

They negotiate discounted pricing with pharmaceutical companies and pharmacies on behalf of payors, administer prescription drug claims, develop networks and formularies to drive patients to higher-value care, and offer utilization management programs to control costs and improve medication adherence for plan participants. Through these strategies, PBMs can help patients access affordable, high-quality care while assisting employers and health plans in managing rising healthcare costs more effectively.

Revenue-driven behavior isn't exclusive to the Big 3 PBMs or the industry itself. Plan sponsors can ensure their PBMs have aligned interests through careful oversight and by partnering with PBMs that prioritize value over profit. When

properly managed, PBMs deliver a more efficient, cost-effective pharmacy benefit experience for both sponsors and patients.

National CooperativeRx was founded to provide expertise and purchasing power to plan sponsors seeking a better PBM experience. As a member-owned and membergoverned cooperative, we are fully aligned with the best interests of our membership. As new dynamics in this complex industry arise, we navigate them and put our members in the best position to manage costs and provide robust benefits.

If you have any questions or concerns arising from articles or reports, please reach out to the Coalition's Pat Shier, who serves on the NCRx Board.

FROM THE EXECUTIVE DIRECTOR



It's been nearly two years now that I've been the executive director of the Pacific Health Coalition. I really should say, *your* Coalition because the PHC is run by, and exists solely to benefit you, our member plans and your participants.

Visiting our member plans was a priority—and a privilege—for me this year. Those visits allowed me to listen as much as to talk. I wanted to explore gaps in product

offerings and identify barriers that might prevent your plans from taking full advantage of the Coalition. I also wanted to meet your individual plan consultants, who are important partners in our efforts.

The things I heard most often were the importance of cost containment, the value of volume-based contract negotiations, and access to new product offerings. As a healthcare purchasing coalition, this is a conversation we have with each vendor, as well as our clients. In the first six months of 2024, Coalition member plans saved \$304 million using our services.

Another priority was adding new member plans. Having more member plans strengthens our collective purchasing power when we negotiate master contracts with vendor-partners. In 2024, we welcomed the Anchorage School District in Alaska and the Northwest Metal Crafts Trust Fund in Washington. We also have five prospects from Alaska, California and Nevada in the pipeline.

Adding new members and expanding our geographic footprint moves us toward accomplishing the goals in our five-year Strategic Plan. We are now midway through that plan and have made significant strides on other goals, like improved communication with member plans and strengthening the Coalition brand.

The Strategic Plan is a clear roadmap to move the Coalition forward. We are well on our way, and I am eager to take the next steps side-by-side with you.

/s/ Bonnie

Meet Marathon Health

Members of participating plans in Washington State are about to meet the caregivers of Marathon Health, the vendor selected to manage the two new Coalition Health Centers in Spokane and the Tri-Cities area.

"With more than 680 health centers nationwide, Marathon has extensive experience managing clinics that deliver a range of essential services. In choosing Marathon, we were particularly impressed with their experience with Taft-Hartley plans. They partner with more than 80 unions to provide health care services to 350,000 people," said Amanda Johnson a consultant with Parker.

Smith & Feek, who oversaw the selection process.

The new CHCs will provide comprehensive primary care services ranging from preventive care and chronic disease management to acute care needs. The clinics also will offer onsite medication dispensing, labs, and on-call services to members of plans that choose to participate. There is no per-member access fee because the Coalition pools the administrative costs among the participating member plans.

"We are thrilled to be working with the Pacific Health Coalition. We want to enable people to live their best, most healthy lives. Our Complete Care model focuses on delivering care tailored to the Coalition's needs. We believe that better provider experiences lead to better patient experiences, which drives better health outcomes. And like our name says, we are in this for the long-haul. Good health is a marathon, not a sprint," said Brian A. Cappel, vice president of Taft-Hartley Plans, Marathon Health.

"Additional details to include location, hours of operation and grand openings will be forthcoming in future communications," said Amanda.

Learn Marathon Health at https://marathon.health. □

2024 HEALTH FAIR OVERVIEW

Over the course of six weekends in September and October, in nine different locations, more than 2,600 people attended a Coalition Annual Health Fair. Other statistics tell an even more positive story: More than 2,500 blood chemistry/hemoglobin tests, vitamin D and thyroid tests were conducted. Nearly 1,500 flu shots were administered. Close to 1,000 men over age 40 received PSA tests. And all of this was at no

From Anchorage to Spokane, participants were enthusiastic about one of the Coalition's most-appreciated services. Surveys confirmed that people appreciated the smooth and efficient process. First-time participants wished they "had started attending years ago."

The Health Fairs also are an opportunity for many Coalition service providers to showcase their services and offer



FIRE DEBT



CALENDAR

2025 PHC RECEPTION, ANNUAL EDUCATIONAL SESSION AND BOARD **MEETING**

Hotel Captain Cook, Anchorage

Reception:

March 3, 2025, 6:00 p.m.

Annual Meeting and Board Meeting:

March 4, 2025, 8:00 a.m. and 1:00 p.m.

PHC QUARTERLY **BUSINESS MEETINGS**

June 11, 2025, 1:00 p.m.,

Anchorage, Alaska

August 20, 2025, 1:30 p.m.,

Seattle Washington

November 19, 2025, 1:00 p.m.,

Anchorage, Alaska

Business meetings are held in person and by videoconference through Microsoft Teams. *Invitations and meeting* materials will be distributed via email before the meeting date, including instructions about how to attend virtually. If you have questions about how to attend by videoconference, contact the PHC at info@phcoalition.org or 702.460.4134.

INTERNATIONAL FOUNDATION OF EMPLOYEE **BENEFITS PLANS (IFEBP) -**71ST ANNUAL EMPLOYEE **BENEFITS CONFERENCE**

November 9-12, 2025

Honolulu, Hawaii



111 West 16th Avenue, Suite 203 Anchorage, AK 99501

READ ABOUT 2024 HEALTH FAIR OVERVIEW, P. 3.

Since 1994, the Pacific Health Coalition (aka HCCMCA) has been helping member health plans control health care costs by negotiating better pricing on health benefits and services than these same plans could achieve on their own. Currently, there are more than 50 health plans participating throughout the United States.

The Pacific Health Coalition Programs



The services offered by the Pacific Health Coalition to its member plans are selected, negotiated and designed to achieve the best price and value for labor. For more information on these services, click on the links below, contact <u>info@phcoalition.org</u> or call (702) 460-4134.

- Annual Health Fairs
- Coalition Health Centers
- Dental Care (Delta Dental)
- <u>Dialysis Cost Containment</u> (Renalogic)
- Disease Management (Optum)
- Joint Claims Administration (Aetna)

- Oncology Care (Transcarent)
- Pharmacy Benefits Management (National Cooperative Rx/CVS Caremark)
- PPO Contracts
 - Alaska Regional Hospital
 - Geneva Woods Birthing Center
 - Inpatient and Outpatient Services

- PPO Contracts (cont'd)
 - <u>Aetna Nationwide</u> <u>Provider Network</u>
 - Orthopedic PPO
- <u>Surgery Benefit Program</u> (Transcarent)
- Virtual Physical Therapy (Transcarent)
- <u>Vision Care</u> (VSP) □