

U.S. EXPERTISE MCO/Payers

MANAGED CARE IN THE U.S.A.

MCO = managed care organization, a health plan that seeks to manage care by contracting with health care providers to deliver health care services on a capitated (per-member per-month) basis. Most common types include PPO, POS, and HMO.

Formulary = an approved list of prescription pharmaceuticals and often specific dosages felt to be the most useful and cost effective for patient care.

P & T Committee = a group of healthcare professionals responsible for determining what medications are included on the formulary. Includes medical directors and pharmacy directors of the MCO and practicing physicians from within the MCO.

Medical / Pharmacy Directors = the key individuals responsible for making decisions regarding formulary coverage of medical and pharmacy benefits.

PBM = pharmacy benefit management company that often partners with the MCO to negotiate better rates with manufacturers. Provide a range of services, including pooling of utilization data on claims, formulary management, claims processing at point-of-service, and negotiating contracts with drug manufacturers.

OF SPECIAL NOTE:

Medicare patients have the option to enroll in managed care plans designed specifically for them. Most MCOs do participate in this market.

Medicaid patients are qualified by Social Services to participate in state-administered programs that include both medical and pharmacy care, for which they pay nothing. Only a few MCOs serve Medicaid patients, and those that do generally specialize in this market.

MCO PHARMACY DIRECTORS

Total Contacts	40
Have recruited	30
<i>Lives Covered:</i>	
250,000 Lives or Less	8
250,000 – 500,000	7
500,000 – 1 million	9
1 million +	16

MCO MEDICAL DIRECTORS

Total Contacts	25
Have recruited	20
<i>Lives Covered:</i>	
250,000 Lives or Less	3
250,000 – 500,000	6
500,000 – 1 million	6
1 million +	10

PBM PHARMACY DIRECTORS

Total Contacts	10
Have recruited	8
<i>All cover multiple millions of lives</i>	

STATE MEDICAID

Total Contacts	4
Have recruited	4