



Magellan Rx Management's Third Annual Medicaid Pharmacy Trend Report Highlights Opportunities for Medicaid Fee-for-Service Pharmacy Programs

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SCOTTSDALE, Ariz.--(BUSINESS WIRE)--Oct. 24, 2018-- Magellan Rx Management, the full-service pharmacy benefits management division of Magellan Health, Inc. (NASDAQ:MGLN), today released its third annual [Medicaid Pharmacy Trend Report](#). Developed through in-depth data analysis and supported by Magellan's broad national experience managing fee-for-service (FFS) Medicaid pharmacy programs, this third edition report examines clinically-appropriate drug use, cost-saving opportunities and provides a detailed look into the increase of specialty trend, Medicaid drugs in the pipeline, and the effect of the opioid epidemic.

"The Medicaid Pharmacy Trend Report helps inform the industry of unique characteristics and challenges facing State Medicaid FFS plans and guides states with solutions to address rising trends," said Doug Brown, vice president of account management, pharmacy pricing and value-based solutions. "In this year's report, we created a new view of the data by combining the methodology used in the first two reports and focusing on the classes that are driving the trends both positively and negatively in the Medicaid space."

With a focus on specialty trends, this year's [Medicaid Pharmacy Trend Report](#):

- Provides detailed information on Medicaid pharmacy economics, drug-cost trends and drivers, category trends.
- Presents solutions that maximize clinically-appropriate management strategies such as preferred drug lists (PDLs), prior authorization (PA), clinical criteria, and brand-over-generic opportunities to identify and generate cost-saving opportunities.

Findings in this year's report include:

- The average net cost per claim decreased by 4.4 percent from \$47.63 in 2016 to \$45.53 in 2017.
- Traditional drugs experienced a reduction in net cost per claim of 9.7 percent.
- Despite the overall decline in net spend per claim, specialty spend continued to rise with an 8.9 percent increase in gross cost per claim and a 4.6 percent increase in net cost per claim.
- In 2017, six of the top 10 drugs by net drug spend were specialty drugs and two of the top five classes by net spend were not traditionally managed by Medicaid plans.

To learn more about the current market trends and implications relating to the unique Medicaid fee-for-service population, view our webinar [here](#).

The [Magellan Rx Management Medicaid Pharmacy Trend Report](#) includes data derived from Magellan's fee-for-service Medicaid pharmacy programs in 23 states and Washington, DC. Magellan Rx Management is a full-service, next generation PBM with a value-driven approach that moves past the traditional volume-focused thinking to deliver meaningful solutions. Magellan Rx Management services expand beyond traditional core services to help their customers and members solve complex pharmacy challenges by connecting them to the people, technology and information they need to make smarter healthcare decisions. As pioneers in managing specialty spend both on the prescription and medical benefit, Magellan Rx Management is effectively-positioned to continue delivering thought-leading solutions in this complex and rapidly growing area of healthcare to help people live healthier lives.

About Magellan Health: [Magellan Health, Inc.](#), a [Fortune 500 company](#), is a leader in managing the fastest growing, most complex areas of health, including special populations, complete pharmacy benefits and other specialty areas of healthcare. Magellan supports innovative ways of accessing better health through technology, while remaining focused on the critical personal relationships that are necessary to achieve a healthy, vibrant life. Magellan's customers include health plans and other managed care organizations, employers, labor unions, various military and governmental agencies and third-party administrators. For more information, visit [MagellanHealth.com](#).

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