ApexBenefits

Case Study

MSD of Wayne Township

Challenge

MSD of Wayne Township, one of Indiana's 10 largest public school systems with over 2,200 employees, was facing increased cost of health care and pharmacy benefits which had depleted their reserves from $10 million to $2 million. They ran a broker RFP in late 2019 and selected Apex Benefits Group to identify solutions that would bring cost savings and rebuild reserves without making their benefits less competitive.

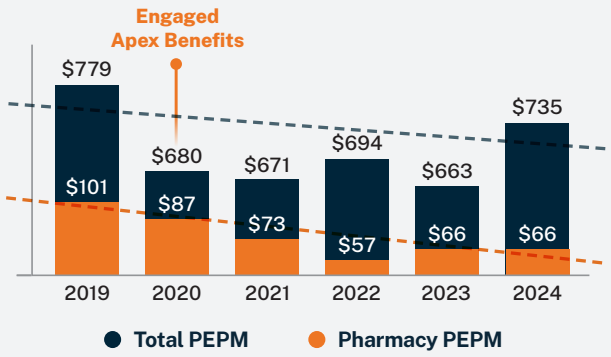
Results

- **A reduction in health care claims costs since 2019** without reducing benefits.
- **A negative 7% trend in PEPM pharmacy spend since 2019:** from $101 to $66.
- **Secured long-term financial stability** by increasing the reserve health fund from $2 million to over $9 million by 2024.

> **"Too often, smaller districts assume they lack the leverage to achieve similar results.** In reality, success comes down to two things: transparency into claims data and the guidance of the right advisor, like Apex."
>
> **Amy Eaton**
> Deputy Finance Officer, MSD of Wayne Township

MSD of Wayne Township's Spend

Total PEPM and Pharmacy PEPM



Total PEPM benefits spend has decreased by 1.1% over the 5-year relationship—industry averages 7% increase annually.

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Solution

Strategic Plan Design

- Current clinic provider exited the space, requiring immediate action to replace services.
- Issued a clinic RFP, vetted responses, restructured the plan and transitioned the district to a new on-site clinic provider within 2 months.
- Improved cost, service, access and utilization of the clinic for improved ROI. This access has reduced overall emergency room visits and cost.

Transformative Population Health Management

Medical Claims Surveillance Monitoring

- Identified members with high-cost claims, categorized risks and identified key intervention points that reduced unnecessary costs and maximized impact.
- Conducted clinical reviews of the district's health data monthly, analyzing high-cost claims and identifying cost-saving interventions.
- Collaborated with Innovative Rx Strategies to evaluate pharmacy-related claims, assess alternatives and negotiate more favorable pricing when possible.
- Implemented second opinion program through partnership with Mayo Clinic to ensure diagnostic accuracy and appropriate treatment.
- Lowered costs on infusion therapies to 150% of the average sales price (ASP) or less — an improvement over the previous 300% of ASP.

Wellness Coaching and Education

- Worked alongside the district's wellness team to stabilize operations and launch initiatives.
- Hired two experts in nutrition and fitness as on-site coaches for the district.
- Identified emerging health trends and delivered targeted education to help employees prevent or manage medical issues in those areas.
- Provided regular insights and personalized health coaching that encouraged members to take steps to improve their health.
- Led professional development sessions and coordinated annual community-wide wellness events.

Pharmacy Benefits

- Led an objective and transparent request for proposal (RFP) process in 2023 to identify a new pharmacy benefit manager (PBM).
- Moved district from one transparent PBM to another, saving them money through stronger contract language, lower drug pricing, higher rebate returns and better plan management.