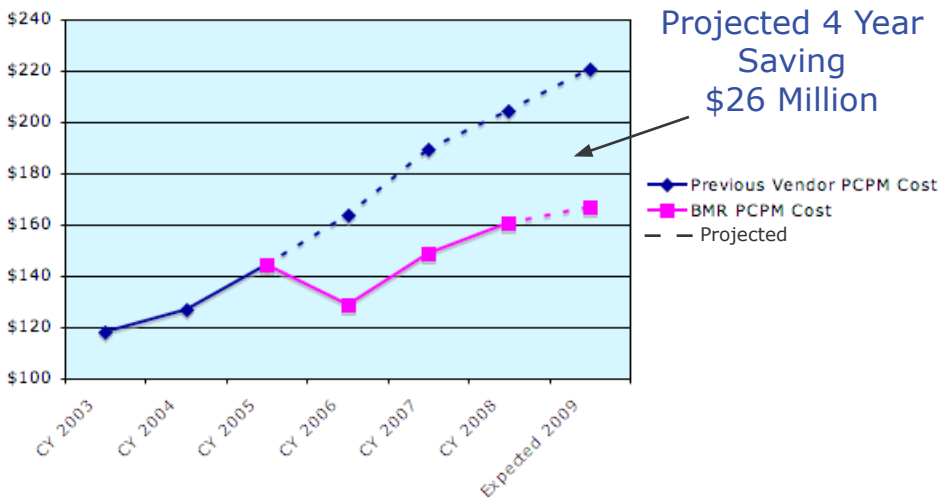


Taft Hartley Welfare Trust

The Challenge:

The Trustees wanted greater control over rising prescription drug program costs without a reduction in benefits, services or member satisfaction. The Trustees wanted a multi-year strategy to reduce program costs - without quick fixes like cost shifting to their members.

The BMR labor team working closely with the Trustees and their consultants profiled the member population looking for the sources of the rising prescription cost. They determined that less than 1% of the member population generated 12% of the total plan cost. These members exceeded



\$10,000 per year in benefit cost by using higher cost Ulcer, Antihistamines, Anti-inflammatory, Antidepressants and Analgesics Drugs. BMR used clinical management techniques to monitor and track each person and drug mix programs... the trust fund realized more than a **21% savings** in the first year, with similar results in the second year.

Benchmarking against the previous year plan performance disclosed the BMR plan had **projected savings of \$421 per member per year.**

The Benefit:

The Fund: This fund can now enjoy more predictable costs and anticipate areas of high risk which allows them to apply a range of targeted BMR therapeutic programs aimed at controlling costs. BMR is confident of its approach to managing drug spend and is willing to guarantee per capita drug costs for its clients

To the members: BMR's program generated a high degree of member satisfaction by providing a high-touch, personalized approach to clinical management. Members also saved money through lower out of pocket expenses.