

Hemophilia Utilization Management Program

Hemophilia is classified as an X-linked recessive disorder. This means males are affected with hemophilia while females are carriers of the affected gene, sometimes being symptomatic and requiring treatment as well. Affected individuals are missing one of 13 clotting factors, usually factor XIII or factor IX. There are approximately 20,000 people in the US affected with hemophilia and a birth rate of 1:5000 male births, making this a rare chronic disorder. Most payors do not know their hemophilia costs or what can be done to manage their risk exposure. *The primary focus is often on reducing the unit price of the factor product rather than disease management and assay management – resulting in higher factor utilization and increased hemophilia costs.* Because of the way factor prescriptions are written, there is a built in opportunity for over-utilization. Factor is manufactured in assay sizes. These assay sizes vary with each lot of factor that is produced. Prescriptions are written with a variance, for example; dispense 1800 units + or – 15%, giving the factor provider flexibility to match their factor inventory to a therapeutic range. Many providers game the system and provide a lower unit price for the factor product but over-fill the prescription, by 12 – 25%, negating any negotiated discounts. This leads to increased costs, greater out-of-pocket expense for the patient, and prematurely causes life-time maximums to be an issue as well. Assay management is essentially matching the prescribed amount to the number of units dispensed to the home.

The average cost per patient with hemophilia is \$150,000/year. From a hemophilia cost perspective, although the number of patients is small (1:15,000 members), the medical loss is a significant \$0.75 per member per month in a commercial health plan. Managing this small member population can significantly reduce the medical loss. Today's environment consists of providers who deliver product and supplies in a box, by Fed-ex, to the patient's home. U & I provides personal delivery of product and supplies to the patient's home by a U & I representative, as well as our Disease Management and Assay Management Programs for the same reimbursement rate. Our goal is to significantly lower hemophilia healthcare costs while improving the quality of life of the individual with hemophilia. We accomplish this through:

- **Hemophilia Education** – U & I employs a world-class hemophilia education program that is designed to give patients the most comprehensive source for information on hemophilia and its treatment, allowing more independence and effectiveness in their self-care management.
- **Bleeding Episode Reduction** – Our utilization management process identifies products, services, educational needs, and appropriate protective items, and creates an environment that maximizes the opportunity of bleed prevention.
- **Factor Infusion Reduction** – We facilitate individuals receiving therapeutic devices, such as CryoCuffs®, which have demonstrated the ability to reduce continuing bleeds by 50%. Many bleeding episodes require multiple factor infusions (avg. of 2-6) to stop the bleed. Each infusion costs approximately \$1500 - \$2000. Reduction of 1 or 2 infusions per bleeding episode has a significant impact on overall costs and quality of life of the patient. We also ensure or monitor that bleeds are treated within 3 hours of occurring – a key component in reducing treatments and costs.
- **Treatment Log Compliance** – U & I places great importance on the use of treatment logs that capture pertinent data with respect to bleeding frequency, activities, product utilization, and treatment methods to drive action by our multi-disciplinary care team based upon escalation parameters. Captured clinical data becomes part of our customized care plan that directs the management and interventions, which lead to improved outcomes. Treatment logs are the centerpiece to effective utilization management.
- **Assay Management** – U & I contractually guarantees that prescriptions will be filled within 3% of the prescribed dose, while the industry average of factor product dispensed to the home is 12-25% above the prescribed dose. We guarantee this performance by rebating back to the payor any exposure above 3%. This alone can translate into savings of thousands of dollars for your organization.

Kris Richardson, the president of U & I Inc., USA has raised two sons with hemophilia and has over 27 years of industry experience. A former elementary school teacher, Kris founded Camp High Hopes, New York States' only camping program for boys with bleeding disorders, and The Hemophilia Connection, a non-profit organization working to meet the diverse needs of this population. A true advocate for this community, she has filled various positions within the volunteer community serving on local, state and national hemophilia foundation boards. A motivational speaker, Kris's presentations encompass such topics as AIDS, Enhancing Self- Esteem, Living With Hemophilia and Caring for the Caregiver.

U & I Inc., USA was founded in 2003 and is located in the Syracuse, New York area. We have a documented track record of reducing costs and improving the quality of life of our hemophilia clients.