

When you understand the rhythm of your market, you don't just respond...**You Set the Tempo.**

That's Active Analytics.

DRUG COST PRESSURE

Drug Cost Pressure is Forcing a New Reality.

Health Plan Challenge: Health plans are losing money.

Rising prescription drug costs, accelerated by the Inflation Reduction Act, have shifted financial responsibility onto health plans. What was once a manageable expense is now a direct threat to margins, pushing many plans into defensive, survival-driven strategies.

What changed:

- The 5% catastrophic coinsurance in Medicare Part D was eliminated
- A ~\$2,000 annual out-of-pocket cap was introduced in 2025
- Plans now carry a significantly larger share of high-cost drug spending

As highlighted by Kaiser Family Foundation, this shift increases both plan accountability and financial risk

The reality:

Plans must now actively manage drug costs through smarter formulary strategies, tiering and the use of lower-cost generic and therapeutic alternatives, or risk ongoing margin erosion.

Active Analytics Solution: Turn Drug Cost Pressure Into Action.

1. Identify Drug Alternatives to Lower Costs and Impact Medication Adherence:

Our proprietary **therapeutic alternatives** engine analyzes every member's medications to identify clinically appropriate, lower-cost alternatives. It quantifies savings at the member level and highlights opportunities to simplify medication regimens, helping improve adherence and directly support stronger Star Ratings.

2. Develop Campaigns to Target Members who are Driving Costs



1. Identify Members Driving Spend

See those members flagged who are driving the highest drug costs and pinpoint the exact medications responsible.



2. Recommend Lower-cost Alternatives

Surface clinically appropriate, lower-cost alternatives with projected savings per member.



3. Outreach for Guided Member Engagement

Agents or care teams contact members with simple, personalized messaging: "Save \$X annually with a comparable option."



4. Convert for Savings & Improved Adherence

Switch to lower-cost therapies → improve adherence and reduce total spend.

Act on Your Highest-Cost Members. You Set the Tempo.

4 Ways Active Analytics Changes the Game

1. **Works with ANY shop and enroll platform** so there is no need to replace your existing shopping or enrollment system.
2. **Analyze your entire MEMBERSHIP in seconds** with unmatched speed and scale in the Medicare market.
3. **See changes across your market** with analysis across **20+ areas of DISRUPTION.**
4. **Turn insights into ACTION immediately** by launching targeted **CAMPAIGNS** with pre-written content and exporting directly (via CSV/Excel) to your CRM or communications platform.