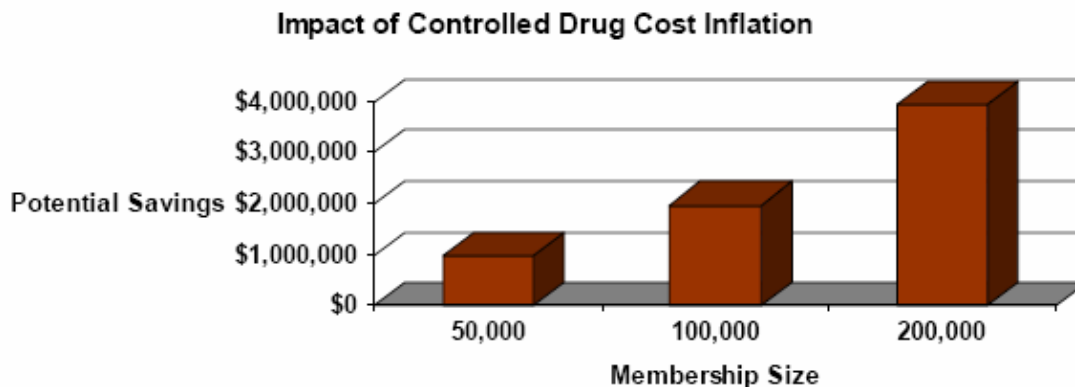




Case Study

With MedVentive, Provider Service Network Excels at Pharmacy Cost Control

Provider Service Network is a network of over 2,400 physicians and 5 academic hospitals in the Boston area. Provider Service Network contracts reward physicians and hospitals for improvements in pharmaceutical prescribing through both surplus sharing under risk contracts and bonus payments under pay-for-performance arrangements. For the past seven years, the organization has used MedVentive's pharmacy management systems to ensure financial success under these agreements.



Interventions with Impact from PRISM

Provider Service Network uses MedVentive's **Pharmacy Intervention Module** drug substitution system to help its physicians accomplish substitutions patient by patient. Part of the MedVentive's comprehensive **Physician Intervention Management System**, PIM identifies patients on non-preferred drugs or suboptimal dosing regimens and offers suggestions for conversion to more cost-efficient therapy. Substitution recommendations are screened for a prior failed therapeutic trial and adverse drug interactions.

The **Pharmacy Intervention Module** generates a complete drug history for each patient, an explanation of the recommended switch, a preprinted prescription for the recommended drug and a letter to the patient explaining the new therapy. Provider Service Network has successfully completed over 15,000 MedVentive-recommended interventions, saving over \$5 million and improving patient care.

Sound Decision-Making with the MedVentive Formulary

Provider Service Network physicians also use MedVentive's formulary as their primary guide for prescribing. MedVentive's formulary is maintained by a 27-member pharmacy and therapeutics (P&T) committee that reviews each drug class in detail every year. Provider Service Network physicians have come to trust that MedVentive's recommendations are well researched and consistent with the highest standards of quality and cost efficiency. In addition, because MedVentive's formulary is based on average wholesale price and adjusted for payer-to-payer co pay differences, the physicians can use it as a single formulary for all their patients.

Every year, Provider Service Network distributes MedVentive's updated, spiral-bound pocket formulary books to its physicians. MedVentive provides poster versions of its formulary for exam rooms and sample closets. The MedVentive formulary is also available over the Internet and for download to a variety of handheld devices. Provider Service Network uses MedVentive's pharmacotherapy guidelines and quality-of care reporting as additional supports for its physicians.

To ensure alignment with inpatient prescribing, MedVentive's pharmacy staff participate regularly on the network hospital's P&T committee.

Unprecedented Results with MedVentive Reporting and Profiling

Web-based reports from MedVentive, which combine pharmacy claims from all payers, help Provider Service Network medical directors track the success of their Pharmacy Intervention effort and give physicians' feedback on their individual pharmaceutical management performance. MedVentive reports show per-member, per-month costs, formulary compliance, generic utilization rates and first-line antibiotic prescribing rates — by physician or group and across single or multiple payers.

With MedVentive's tools and the work of its physicians, Provider Service Network has consistently kept annual drug inflation for its patient population 5 percent lower than average for other providers in eastern Massachusetts. The organization has consistently posted impressive performance across a broad range of key pharmacy metrics, including formulary compliance (87 percent), generic utilization (54 percent) and first-line antibiotic utilization (66 percent).

Finally, pharmacy reports from MedVentive enable Provider Service Network to confidently negotiate pharmacy incentives under both its risk and pay-for-performance contracts. MedVentive systems help ensure that Provider Service Network meets its contractual targets and drives financial success across a wide range of types of payer contracts.

About MedVentive

For nearly ten years, MedVentive has worked with leading academic hospitals and physicians to develop and deploy innovative, clinically sophisticated approaches to successfully reduce healthcare costs and improve quality. Healthcare providers, payor organizations and self-insured employers use MedVentive's technology and services to identify their greatest healthcare improvement opportunities and act quickly and efficiently to effect change through customized interventions.