



SAFENETRX

ANNUAL REPORT

2021



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Message from Jon

Dear Friends,

The close of fiscal year 2021 marked a milestone – 20 years of service connecting vulnerable patients with affordable medicine! Throughout these two decades SafeNetRx has undergone significant transformation to ensure affordable prescription access is a reality in every community we serve, regardless of wealth or location. We are continually innovating and welcome the next 20 years with open arms as we prepare for our next phase of major transformation.

From inception, SafeNetRx has been a driver of medication affordability and charitable pharmacy innovation. In 2001 we were founded as the Iowa Prescription Drug Corporation, a partnership between the non-profit and public sectors to reduce the high cost of prescription drugs for aging Iowans. In the early 2000s our Medicare model for affordable prescription drugs emerged as an effective mechanism for states to combat rising drug costs. In 2006, the launch of Medicare Part D brought an end to our Medicare prescription services and opened the door to our first transformation, the opportunity to serve our growing uninsured and underinsured communities.

We launched the Drug Donation Repository in 2007, creating the country's first centralized drug repository where unused medicines and supplies could be redirected from long-term care facilities, pharmacies, and clinics; inspected; and re-distributed to serve communities in need. In 2013, we launched the first pharmacy initiative in the country to reduce high rates of recidivism among persons with behavioral health disorders. Today, SafeNetRx is proud to report that over \$53 million in donated medicine has been collected from across the country to serve over 117,000 vulnerable patients.

In FY22 our team welcomes the next phase of transformation. We have outgrown our Urbandale facility and will be relocating to a larger warehouse facility in the Des Moines metro. At the same time, we are modernizing our Drug Donation Repository with a redesign of the program's workflow and integration of technology. The result will be a more efficient drug donation model that can be scaled with ease as we expand our services into new communities across the US.

Our team is stronger than ever, and we look forward to serving a growing number of communities and health teams in 2022! Thank you for your support, guidance, and partnership.

Jon Rosmann

CEO
SafeNetRx

IMPACT TO DATE



AMERICANS CANNOT AFFORD THEIR MEDICATIONS

- Millions of Americans lack access to affordable care, a number that continues to grow. **Twenty percent** of the US population is medically underserved. This includes roughly 28 million uninsured persons¹ and 41 million underinsured persons with employer-provided, marketplace or Medicare plans.
- **Over 40%** of adults in the U.S. delayed or did not get a needed prescription drug due to cost².
- COVID-19 has fueled a significant increase in the number of uninsured and underinsured households. Further, many patients that rely on the safety net health community to treat chronic conditions have faced challenges due to changing or limited clinic hours and a shortage of providers. At the same time, our hospitals and clinics are facing major capacity and economic challenges limiting support for uninsured and low-income patients. These mounting challenges further underscore the need for affordable prescriptions.

An oncology patient recently lost her husband to COVID-19 and experienced a lapse in health insurance coverage only a few days following his death. She was temporarily uninsured and worried about access to needed prescriptions. SafeNetRx connected the patient with donated medicine and prevented a lapse in treatment while she waited for her new insurance to become active.



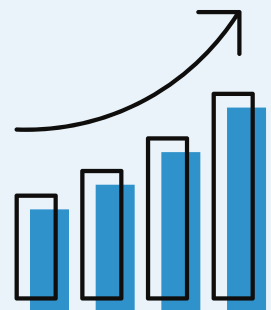
\$21,014

in COVID-19 supplies were distributed



OUR SOLUTION

- SafeNetRx serves our most vulnerable patients. Those that are medically uninsured or underinsured with a household income less than 200% of the Federal Poverty Level qualify for assistance.
- To date: Donors from nearly all 50 states have worked together to provide **\$53,910,990** (AWP) of donated medicine for SafeNetRx to inspect and redistribute.
- SafeNetRx has provided medications and medical supplies for little to no cost to **117,862** underserved patients throughout Iowa.



IMPROPER MEDICATION DISPOSAL NEGATIVELY AFFECTS OUR ENVIRONMENT

- An estimated **\$5 billion** worth of unexpired prescription drugs in unopened, tamper-proof packaging are wasted annually in the United States³. In 2015, the Environmental Protection Agency (EPA) estimated that approximately 740 tons of medications are wasted by nursing homes each year alone⁴.
- Medication waste is also a growing issue in our homes. The U.S. Food and Drug Administration advises consumers to dispose of unused medicine in the household trash, and in other instances flushing the medications down the toilet⁵. Research studies have shown active pharmaceutical ingredients are present in groundwater and drinking water as a result of flushing medications down the sink and/or toilet. In the first large-scale assessment of U.S. groundwater pumped for drinking water supply, 60% of the water sources contained hormones and pharmaceuticals⁶.
- Research studies have also shown active pharmaceutical ingredients are present in landfills as a result of disposing of medications in municipal solid waste^{7,8}.



OUR SOLUTION

- To date, SafeNet Rx has safely redirected over **770 tons** of medication for distribution to clinics and pharmacies or environmentally safe disposal.





SAFENETRX DRUG DONATION REPOSITORY (FY2021)

The SafeNetRx Drug Donation Repository accepts donated medicines in sealed, tamper-evident packaging for distribution to clinics and pharmacies that provide care to underserved patients. Donations must pass a rigorous inspection process before being dispensed. Once the medication has been inspected by a pharmacist, clinics and pharmacies may order needed medications free of charge.

IN FY2021



193

health care facilities and individuals from over **40 states** in the US donated medications & medical supplies



\$8,118,246.98

(AWP) of donated medicine received for redistribution



109

clinics and pharmacies ordered donated medicine



10,438

patients received donated medicine and saved **\$7,982,134.68 (AWP)**

TOP TEN MEDICATION CLASSES DISPENSED BY VALUE

01 Anti-cancer

02 Antipsychotics

03 Blood modifiers

04 Antidepressants

05 Gastrointestinal agents

06 Asthma/COPD medications

07 Cholesterol-lowering agents

08 Antihypertensives

09 Oral Diabetic Medications

10 Anticonvulsants

PATIENT STORIES



A patient diagnosed with oral cancer was prescribed Afinitor as studies have demonstrated its effectiveness in treating this condition. The claim, prior authorization and appeal were all denied because it was prescribed for an off-label indication. The Drug Donation Repository was able to provide a 30-day supply (valued at \$13,530 AWP) to the patient's care team. His condition improved and providers determined that he was benefiting from the treatment. A second appeal was filed with the patient's insurance provider who approved the prior authorization and agreed to cover therapy for the remainder of the year.

A Medicaid patient received a \$1 raise and two \$250 bonuses that were paid in consecutive pay periods. As a result of the extra income for the month of July, the patient was notified that she no longer met the income guidelines for Medicaid. Her coverage would end, effective September 1, and she would be ineligible to reapply for three months. The patient was worried about how she would pay for her medications. SafeNetRx provided \$1,709 of donated medications during this coverage lapse period.

SAFENETRX CHARITABLE PHARMACY

The SafeNetRx Charitable Pharmacy dispenses free and low-cost prescriptions to needy patients via mail-order.



1,235

TOTAL PATIENTS SERVED



\$2,852,190

TOTAL VALUE OF PRESCRIPTIONS DISPENSED

The SafeNetRx Charitable Pharmacy has filled **over 14,000** thirty-day supply prescriptions since opening in June of 2018 and has saved patients an average of **\$198.08** per prescription.

BEHAVIORAL HEALTH MEDICATION ASSISTANCE PROGRAM

This program is a collaborative project between the SafeNetRx Charitable Pharmacy and the Iowa Attorney General's Office. Free behavioral health prescriptions are provided to justice-involved individuals for up to six months. The program was created in an effort to reduce rates of recidivism in Iowa and help individuals transition back into the community successfully.

ELIGIBILITY

Uninsured and underinsured patients 200 percent of the FPL that have been released from state or local supervision within the past three years. This includes:

- Department of Corrections
- County jail
- Juvenile detention
- Crisis observation

DISEASE STATES TREATED

ANXIETY

DEPRESSION

BI-POLAR
DISORDER

PTSD

PSYCHOSIS

ADHD

NARCOLEPSY



8

Judicial districts in Iowa refer patients to our program including 9 state prisons, 20 work release facilities, and 28 county jails



1,040

Patients served



7,671

Prescriptions filled



\$1,609,589.27 (AWP) Saved

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More than 50% of Iowa's prison population has a serious or chronic mental health diagnosis. Free access to needed behavioral health prescriptions while reintegrating into the community greatly improves the ability of a patient to be successful following release.

PATIENT STORIES

A young female with bi-polar disorder was released from county jail with information about the SafeNetRx Behavioral Health Medication Assistance Program. She was in need of risperidone and was worried about her ability to effectively participate in an upcoming job interview without the medication. The individual was seen by her provider and immediately provided a 30-day supply of medication at no cost through the Charitable Pharmacy. She stabilized her behavioral health condition and was hired as a part-time Certified Nurse Assistant.

A 68-year-old, uninsured woman was hospitalized after experiencing a DVT. She required a five-day supply of enoxaparin injections, but was unable to afford the medication. The cost of this treatment regimen ranges from \$108.45 - \$803.79 for the five-day supply. The hospital was not comfortable discharging the patient without an adequate supply of enoxaparin. The SafeNetRx Charitable Pharmacy was able to dispense the enoxaparin immediately and save the patient hundreds of dollars for the medication and a multi-night stay in the hospital.

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PATIENT STORIES



A 75-year-old veteran and cardiac patient missing two lobes of his lungs requires 12 prescriptions. The patient had a copay of \$20 for each prescription. He is on a fixed income well below 200% of the FPL and must cover housing, utilities, food, and medication. The patient was only taking the medications he believed as essential and was unable to afford copays for all 12 prescriptions. With help from the SafeNetRx Drug Donation Repository, he is now able to afford all 12 prescriptions without disruption. Per his provider at the County Health System:

“SafeNetRx has not only saved him a hospital visit, it has saved his life!”

A retired 71-year-old widow was diagnosed with respiratory failure secondary to COPD exacerbation. The patient has a high-deductible Medicare Part D insurance plan and could not afford the inhaler that the ICU doctor prescribed. Without prophylactic therapy it would only be a matter of time before she suffered another life-threatening respiratory emergency. Thanks to the SafeNetRx Drug Donation Repository the patient was sent home with an inhaler free-of-charge so she could begin therapy immediately preventing re-admittance or another life threatening episode.

A 38-year-old woman was unable to regularly afford her monthly epileptic medication. She would skip daily doses or take half doses in an effort to make her monthly prescription last longer. As a result she had two epileptic seizures ending in one trip to the ER and one hospitalization. A patient advocate identified her as eligible for the SafeNetRx Drug Donation Repository. Since then she has been able to manage her epilepsy with an effective daily regimen of seizure medication.

• ¹Berchick, E. (2018, September 12). Who Are the Uninsured. US Census Bureau. Retrieved August 8, 2019,

from <https://www.census.gov/library/stories/2018/09/who-are-the-uninsured.html>

• ²Garfield, R., Majerol, M., Damico, A., & Foutz, J. (2016, November). The Uninsured: A Primer. Key Facts About Health Insurance and the Uninsured in the Era of Health Reform. The Kaiser Commission on Medicaid and the Uninsured. 11.

• ³BMJ 2014;349:g7677

• ⁴Allen, M. (2017, April 27). America's Other Drug Problem. Pro Publica. Retrieved October 19, 2017, from

<https://www.propublica.org/article/americas-other-drug-problem>

• ⁵Disposal of Unused Medicines: What You Should Know. US Food and Drug Administration. Retrieved August 9m 2019, from

<https://www.fda.gov/drugs/safe-disposal-medicines/disposal-unused-medicines-what-you-should-know#Flushing>.

• ⁶Bexfield LM, Tocalino PL, Belitz K, Foreman WT, Furlong ET. Hormones and Pharmaceuticals in Groundwater Used As a Source of Drinking Water Across the United States. Environ Sci Technol. 2019;53(6):2950-2960. doi:10.1021/acs.est.8b05592

• ⁷Rosmann J. Drug Donation Repositories: State Programs to Leverage Scarce Health Resources. Inside Pharmacy. 2013;1:13-14.

• ⁸Kostich, M. S., Batt, A. L., & Lazorchak, J. M. (2014, January). Concentrations of prioritized pharmaceuticals in effluents from 50 large wastewater treatment plants in the US and implications for risk estimation. Environmental Pollution, 184, 354-359

SAFENETRX MISSION

Serving vulnerable populations through responsible collection and distribution of donated medicines.

SafeNetRx is governed by a 13-member Board of Directors. The Board is comprised of health and business professionals including public and private sector leaders from large and small health systems, pharmacy, nursing, academia, and finance.

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