FORWARD-LOOKING STATEMENTS
This presentation contains forward-looking statements made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements give current expectations or forecasts of future events or our future financial or operating performance. The forward-looking statements in this presentation are based on management’s good-faith belief and reasonable judgment based on current information. These statements are qualified by important risks and uncertainties, many of which are beyond our control, that could cause our actual results to differ materially from those forecasted or indicated by such forward-looking statements. For a discussion of such risks and uncertainties, review Diplomat's filings with the Securities and Exchange Commission, including “Risk Factors” in Diplomat’s Annual Report on Form 10-K for the year ended Dec. 31, 2016, and in subsequent reports filed with or furnished to the Securities and Exchange Commission. Except as may be required by any applicable laws, Diplomat assumes no obligation to publicly update such forward-looking statements, which are made as of the date hereof or the earlier date specified herein, whether as a result of new information, future developments, or otherwise.

INDUSTRY AND MARKET DATA
Certain information in this presentation concerning our industry and the markets in which we operate is derived from publicly available information released by third-party sources, including independent industry and research organizations, and management estimates. Management estimates are derived from publicly available information released by independent industry and research analysts and other third-party sources, as well as data from our internal research, and are based on assumptions made by us upon reviewing such data and our knowledge of such industry and markets, which we believe to be reasonable. We believe the data from these third-party sources is reliable. In addition, projections, assumptions, and estimates of the future performance of the industry in which we operate and our future performance are necessarily subject to uncertainty and risk due to a variety of factors, as discussed in Diplomat’s reports filed with the Securities and Exchange Commission. These and other factors could cause results to differ materially from those expressed in the estimates made by these third-party sources.

MEDICAL ADVICE
The information herein is for educational purposes only and may not be construed as medical advice. Diplomat Pharmacy Inc. takes no responsibility for the accuracy or validity of the information herein, nor the claims or statements of any manufacturer.
# AGENDA

<table>
<thead>
<tr>
<th>TOPIC</th>
<th>SPEAKER/MODERATOR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Welcome &amp; Introduction</td>
<td>Phil Hagerman</td>
</tr>
<tr>
<td>Drug Lifecycle Management</td>
<td>Paul Urick</td>
</tr>
<tr>
<td>Pharma Launch Strategy</td>
<td>Cheryl Allen</td>
</tr>
<tr>
<td>Specialty Pharmacy Management Services</td>
<td>Atheer Kaddis</td>
</tr>
<tr>
<td>Open Q&amp;A</td>
<td>Phil Hagerman &amp; Atul Kavthekar</td>
</tr>
</tbody>
</table>
Welcome

Phil Hagerman
CEO and Chairman, Diplomat
Phil Hagerman, RPh  
Chief Executive Officer, Chairman of the Board of Directors, Diplomat  

Phil has served as Diplomat’s chief executive officer, a director, and the chairman of the board of directors since 1991. He cofounded Diplomat with his father in 1975.  

Phil has led Diplomat as its principal executive officer, chair of the board of directors, and a director for approximately 24 years. He has a unique perspective and understanding of Diplomat’s business, culture, and history, having led Diplomat through many economic cycles and operational initiatives. His day-to-day leadership of Diplomat gives him critical insights into operations, strategy and competition, and he facilitates the board’s ability to perform its oversight function. Throughout his career at Diplomat, he has shown strong entrepreneurial skills, as well as regulatory, marketing, strategic, and operational expertise. He possesses in-depth knowledge of and key relationships in the specialty pharmacy industry.
Drug Lifecycle Management

Paul Urick, RPh
President, Diplomat
Paul Urick, RPh  
President, Diplomat

Paul works closely with Diplomat’s Operations, Clinical Services, and Sales teams, as well as industry partners. He has spent more than two decades building in-depth knowledge and key relationships in specialty pharmacy, managed markets, and integrated health systems.

Paul served as vice president of Industry Relations, Pharmaceutical Account Management, and Payor Strategies upon Diplomat’s acquisition of Burman’s Specialty Pharmacy in June 2015. He was promoted to senior vice president in February 2016. In that role, he provided overall strategy and execution for all pharmaceutical and payor partners. Paul was president of managed markets and industry relations for Burman’s from September 2014 until its acquisition by Diplomat. Before that role, beginning May 2011, he served as senior vice president of pharmacy operations for Cigna Corporation, a health care company serving more than 15 million customers. He led Cigna’s internal pharmacy benefit management (PBM) and home delivery operations.

From 2004 to 2011, Paul was senior vice president of pharmacy services at Independence Blue Cross. During his tenure, he served as president for FutureScripts and FutureScripts Secure, two PBM companies he incorporated. In addition, Paul spent 10 years at Geisinger Health System, a leading integrated health services organization. There, he transformed and insourced PBM operations for Geisinger Health Plan.
Cheryl Allen, BSPharm, MBA
Vice President of Industry Relations, Diplomat

Cheryl leads the Industry Relations team in finding partnerships and designing health care solutions. She collaborates with manufacturers to design services and distribution solutions that support their brand-specific need. Cheryl brings more than 25 years of industry experience, with work in independent, compounding, and specialty pharmacy, as well as in managed care consulting and health care information technology. Before joining Diplomat in July 2011, Cheryl worked as the senior director of clinical services at Sanovia Corporation, where she managed new product development and sales support. She has held roles with Priority HealthCare as a pharmacist-in-charge for oncology and lead pharmacist for pain management and compounding. Cheryl also founded C. Allen & Associates, a firm focused on managed care consulting, and Eden Drug Company, an independent pharmacy with a compounding focus.

Cheryl earned her Bachelor of Science in pharmacy at Samford University’s McWhorter School of Pharmacy. She earned her Master of Business Administration at Saint Joseph’s University Erivan K. Haub School of Business with a focus in pharmaceutical and health care marketing.
Dean Erhardt, MBA
President and CEO, D2 Pharma Consulting LLC

Dean has more than 25 years of strategic marketing and management experience in the consumer product and pharmaceutical arenas. His experience has spanned Fortune 500 organizations including Express Scripts, Cardinal Health, and U.S. Healthcare.

Currently, he supports companies in the launching and reimbursement of pharmaceutical, biotech, and device products across the specialty pharmacy, specialty distribution, retail, long-term care, and hospital markets. Dean leads D2 efforts to work with companies to address managed care and government payor market access issues.

Dean serves on the board of VirMedica Inc. and as a board of trustees member for Stages St. Louis. He has an MBA from the Keller Graduate School of Management.
Will Pih, PharmD
Principal, TwoLabs Marketing LLC

After many years as a hospital pharmacy director, Will moved to the pharmaceutical industry, working in sales and marketing leadership roles at companies such as Roche/Genentech and Amgen. In his 13-year tenure with Two Labs Will has been the principal lead on a variety of projects, specializing in creative channel development, lifecycle management, and market access strategies. He is responsible for product launches in a number of categories with an emphasis on oral and injectable specialty products for rare diseases.

Will founded The Huntington Consulting Group, a company providing clinical consulting in the area of infectious diseases and syndicated antibiogram tracking for susceptibility and resistance trends in acute care settings. Will also founded BioSys Laboratories Inc, a medical device company focused on in-vitro diagnostic devices and other medical and laboratory products. He was responsible for securing new products for development and obtaining appropriate FDA clearance for marketing and distribution. Will received his PharmD and bachelor’s degree in biology and economics from the University of Southern California.
SPECIALTY SPEND IS BOOMING

2011: $299B

Traditional: 83.0%
Specialty: 17.0%

2016: $412B

Traditional: 72.0%
Specialty: 28.0%

2021: $572B

Traditional: 58.0%
Specialty: 42.0%

# MARKET TRENDS

<table>
<thead>
<tr>
<th>Therapy Class</th>
<th>2016 Sales</th>
<th>Five-Year CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oncology</td>
<td>$45.7 billion</td>
<td>13.4%</td>
</tr>
<tr>
<td>Immunology</td>
<td>$4.5 billion</td>
<td>11.5%</td>
</tr>
<tr>
<td>Gastrointestinal</td>
<td>$7.1 billion</td>
<td>4.4%</td>
</tr>
<tr>
<td>Dermatology</td>
<td>$2.2 billion</td>
<td>28%</td>
</tr>
</tbody>
</table>

FDA DRUG APPROVALS

Specialty and Traditional Drug Approvals

*As of June 13, 2017.


Proprietary and Confidential of Diplomat Pharmacy Inc.
ASSOCIATED COST

$2.5B+

TO BRING A NEW DRUG TO MARKET
### TRANSPARENCY THROUGH DATA

#### Financials

<table>
<thead>
<tr>
<th>Month</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
<th>Dec</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>3,086</td>
<td>3,313</td>
<td>3,649</td>
<td>3,430</td>
<td>3,800</td>
<td>4,135</td>
<td>3,652</td>
<td>4,313</td>
<td>4,097</td>
<td>4,086</td>
<td>4,019</td>
<td>4,135</td>
</tr>
</tbody>
</table>

#### Patient Copays (All Dispenses)

<table>
<thead>
<tr>
<th>Copay Range</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>0$-$.01-$5$</td>
<td>60%</td>
</tr>
<tr>
<td>$.01-$10</td>
<td>2%</td>
</tr>
<tr>
<td>$10.01-$15</td>
<td>18%</td>
</tr>
<tr>
<td>$15.01-$29.99</td>
<td>1%</td>
</tr>
<tr>
<td>$30.00-$49.99</td>
<td>5%</td>
</tr>
<tr>
<td>$50.00-$99.99</td>
<td>4%</td>
</tr>
<tr>
<td>$100+</td>
<td>3%</td>
</tr>
</tbody>
</table>

#### Average Copay After Primary

- **$393**

#### Average Out of Pocket Cost

- **$80**

#### Copay Card Utilization

- **Total Paid by Copay Card**: $2,478,224
- **Copay Before Copay Card Applied**: $349
- **Copay Card Utilized on Secondary Plan**: $11
- **Unique Patient Count**: 1,399
- **Dispense Count**: 7,368
# UNDERSTANDING DISCONTINUATION

Discontinued & Canceled

<table>
<thead>
<tr>
<th>Discontinued</th>
<th>Canceled</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>861</strong></td>
<td><strong>722</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Therapy Stopped</td>
<td>21.32%</td>
</tr>
<tr>
<td>Transferred to Alternate SP</td>
<td>13.09%</td>
</tr>
<tr>
<td>Deceased</td>
<td>14.72%</td>
</tr>
<tr>
<td>Referred to Manufacturer</td>
<td>5.72%</td>
</tr>
<tr>
<td>Physician Does Not Want</td>
<td>6.62%</td>
</tr>
<tr>
<td>Patient Does Not Want</td>
<td>5.94%</td>
</tr>
<tr>
<td>Unable to Contact</td>
<td>4.30%</td>
</tr>
<tr>
<td>Patient</td>
<td></td>
</tr>
<tr>
<td>Did not start</td>
<td>2.53%</td>
</tr>
<tr>
<td>Medication</td>
<td></td>
</tr>
<tr>
<td>Change in Therapy</td>
<td>2.40%</td>
</tr>
<tr>
<td>Opt Out</td>
<td></td>
</tr>
<tr>
<td>Change in</td>
<td></td>
</tr>
<tr>
<td>Opt Out</td>
<td></td>
</tr>
<tr>
<td>Denied PA</td>
<td>0.82%</td>
</tr>
<tr>
<td>Hospice</td>
<td>2.21%</td>
</tr>
<tr>
<td>Palliative Care</td>
<td></td>
</tr>
</tbody>
</table>

**Discontinued**: Status used when DSP has previously shipped product to the patient and treatment with product is being discontinued, or DSP is no longer able to service the patient.

**Canceled**: Status used for any new patient that DSP is unable to service (i.e., DSP never shipped product to the patient). Note: the patient may have previously received product from another SP.

(Sample Data)
PROVIDER PORTAL EXPERIENCE
PROVIDER PORTAL EXPERIENCE

PRESCRIPTION STATUS BAR
Know where your patients are in the prescription process—from benefits investigation to medication shipment—for easier patient management.
PROVIDER PORTAL EXPERIENCE

PRESCRIPTION STATUS BAR
Know where your patients are in the prescription process—from benefits investigation to medication shipment—for easier patient management.

EXCEL EXPORT
Export all your search results to an Excel document for ease of use.

PATIENT PRESCRIPTION STATUS

- RX Entered
- Rx in Resolution
- Pending Benefits Investigation
- Pending Prior Authorization
- Pending Appeals
- Pharmacist Verification
- Pending Third-party Financial Assistance
- Order Scheduling

<table>
<thead>
<tr>
<th>Name</th>
<th>Primary Diagnosis</th>
<th>Provider</th>
<th>Date Of Birth</th>
<th>RXs Court</th>
<th>Patient Record Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dorothy Goosen</td>
<td>Type 2 diabetes</td>
<td>Jeanette Norris</td>
<td>10/07/1970</td>
<td>2</td>
<td>Active</td>
</tr>
<tr>
<td>Will Poulter</td>
<td>Cardiovascular</td>
<td>Eleanor Higgins</td>
<td>12/22/1970</td>
<td>3</td>
<td>Active</td>
</tr>
</tbody>
</table>
PROVIDER PORTAL EXPERIENCE

PRESCRIPTION STATUS BAR
Know where your patients are in the prescription process—from benefits investigation to medication shipment—for easier patient management.

EXCEL EXPORT
Export all your search results to an Excel document for ease of use.

PATIENT NOTIFICATIONS
View real-time notifications about each patient's prescriptions. You can open a patient's profile from the notification window.

PATIENT PRESCRIPTION STATUS

<table>
<thead>
<tr>
<th>Name</th>
<th>Primary Diagnosis</th>
<th>Provider</th>
<th>Date Of Birth</th>
<th>RXs Count</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Darshomi Goeasan</td>
<td>Type 2 diabetes</td>
<td>Jeonette Norris</td>
<td>10/07/1970</td>
<td>2</td>
<td>Active</td>
</tr>
<tr>
<td>Will Poulter</td>
<td>Cardiovascular</td>
<td>Eleanor Higgins</td>
<td>12/22/1970</td>
<td>3</td>
<td>Active</td>
</tr>
</tbody>
</table>
PROVIDER PORTAL EXPERIENCE

PRESCRIPTION STATUS BAR
Know where your patients are in the prescription process—from benefits investigation to medication shipment—for easier patient management.

EXCEL EXPORT
Export all your search results to an Excel document for ease of use.

PATIENT NOTIFICATIONS
View real-time notifications about each patient’s prescriptions. You can open a patient’s profile from the notification window.

DOCUMENT UPLOAD
Upload non-prescription documents directly to the portal instead of faxing them. You can view all your uploaded documents for easy retrieval later.
PROVIDER PORTAL EXPERIENCE

PRESCRIPTION STATUS BAR
Know where your patients are in the prescription process—from benefits investigation to medication shipment—for easier patient management.

EXCEL EXPORT
Export all your search results to an Excel document for ease of use.

PATIENT NOTIFICATIONS
View real-time notifications about each patient's prescriptions. You can open a patient's profile from the notification window.

DOCUMENT UPLOAD
Upload non-prescription documents directly to the portal instead of faxing them. You can view all your uploaded documents for easy retrieval later.

LIVE CHAT
Access a live chat window from any portal page to get instant access to Diplomat, or use the convenient "Contact Us" page.
Drug Lifecycle Management
Pharma Launch Strategy

Cheryl Allen, BSPharm, MBA
Vice President of Industry Relations, Diplomat
Cheryl Allen, BSPharm, MBA
Vice President of Industry Relations, Diplomat

Cheryl leads the Industry Relations team in finding partnerships and designing health care solutions. She collaborates with manufacturers to design services and distribution solutions that support their brand-specific need. Cheryl brings more than 25 years of industry experience, with work in independent, compounding, and specialty pharmacy, as well as in managed care consulting and health care information technology. Before joining Diplomat in July 2011, Cheryl worked as the senior director of clinical services at Sanovia Corporation, where she managed new product development and sales support. She has held roles with Priority HealthCare as a pharmacist-in-charge for oncology and lead pharmacist for pain management and compounding. Cheryl also founded C. Allen & Associates, a firm focused on managed care consulting, and Eden Drug Company, an independent pharmacy with a compounding focus.

Cheryl earned her Bachelor of Science in pharmacy at Samford University’s McWhorter School of Pharmacy. She earned her Master of Business Administration at Saint Joseph’s University Erivan K. Haub School of Business with a focus in pharmaceutical and health care marketing.
Denise Dixon
Senior Vice President of Client Solutions, WRB — an EnvoyHealth Company

Denise brings more than 20 years’ experience to her role of senior vice president of client relations, including more than 15 years in the health care industry. Denise works with client partners to develop solutions across service pillars including reimbursement and PAP, medical information, customer care, and inside sales. Her experience includes holding executive positions for MEDTAP International, a United BioSource company.

Denise speaks on key health care contact center topics at conferences across the country and is a member of the Drug Information Association, Healthcare Business Women’s Association, and the Society of Consumer Affairs Professionals.

Denise is an alumna of the University of Maryland, graduating with a degree in marketing and business administration.
Dean Erhardt, MBA
President and CEO, D2 Pharma Consulting LLC

Dean has more than 25 years of strategic marketing and management experience in the consumer product and pharmaceutical arenas. His experience has spanned Fortune 500 organizations including Express Scripts, Cardinal Health, and U.S. Healthcare.

Currently, he supports companies in the launching and reimbursement of pharmaceutical, biotech, and device products across the specialty pharmacy, specialty distribution, retail, long-term care, and hospital markets. Dean leads D2 efforts to work with companies to address managed care and government payor market access issues.

Dean serves on the board of VirMedica Inc. and as a board of trustees member for Stages St. Louis. He has an MBA from the Keller Graduate School of Management.
Larry Guiheen,
Chief Commercial Officer, Kedrion Biopharma

Larry has more than 35 years of experience in the blood and plasma industry. Since 2013, he has been chief commercial officer of Kedrion Biopharma Inc.

Before starting at Kedrion, Larry was principal of Guiheen and Associates, a consulting firm that specialized in biopharmaceutical, pharmaceutical, and medical device commercialization. He also held several positions in more than 30 years at Baxter Healthcare Corporation.

Larry was chairman of the global board of directors for the Plasma Proteins Therapeutics Association and is a member of the North American Board of PPTA. He is a member of the board of directors of ADMA Biologics. Larry holds a bachelor’s degree in business administration from Rutgers University.

Proprietary and Confidential of Diplomat Pharmacy Inc.
Eddie Williams,
Former Senior Vice President of Biopharmaceuticals, Novo Nordisk

Eddie has 36 years of pharmaceutical industry experience. As senior vice president of biopharmaceuticals at Novo Nordisk, he grew the multinational pharmaceutical and biotech company from $500 million to $1.7 billion and achieved market leadership in three therapeutic areas. He also successfully launched two orphan biotech products and several other devices. Eddie was recognized as Industry Partner of the Year by the National Hemophilia Foundation, received the Lifetime Achievement Award by the National Sales Network, and was named Novo Nordisk’s Global General Manager of the Year.

Before joining Novo Nordisk, Eddie was vice president of sales in the respiratory and dermatology business unit at Novartis Pharmaceuticals Corporation. He also held various sales and leadership roles at Pharmacia, where he was named the No. 1 regional sales director. Eddie earned a bachelor’s degree in biology and chemistry from Marshall University. He has served on several boards, including acting as chair of the National Hemophilia Foundation’s industry advisory panel.
UNIQUE COMPETITIVE POSITION

LARGE PBM / RETAIL PHARMACY
- Size impact to customer service
- Less flexible/nimble

DIPLOMAT

- Singly focused on specialty
- High-touch model
- Flexible and nimble
- Entrepreneurial culture
- National reach
- Scalable infrastructure

SMALLER SPECIALTY PHARMACIES
- Large scale
- Most focused on one or few disease states
- Fragmented market
- Consolidation opportunity for Diplomat
Diplomat Specialty Pharmacy

- Dispensing Pharmacy
- Centers of Excellence (e.g., Rare Disease, Oncology, Immunology)

Envoy Health - A Diplomat Company
- Hub Services
- Expanded Access Services
- Noncommercial Pharmacy

Diplomat Infusion Group
- Hemophilia and Bleeding Disorders
- Immune Globulin
- Alpha-1
- Hereditary Angioedema
**Diplomat Specialty Pharmacy**

- Dispensing Pharmacy
- Centers of Excellence
  (e.g., Rare Disease, Oncology, Immunology)

**Envoy Health**
- Hub Services
- Expanded Access Services
- Noncommercial Pharmacy

**Diplomat Specialty Infusion Group**
- Hemophilia and Bleeding Disorders
- Immune Globulin
- Alpha-1
- Hereditary Angioedema
Diplomat Specialty Pharmacy
- Dispensing Pharmacy
- Centers of Excellence (e.g., Rare Disease, Oncology, Immunology)

- Hemophilia and Bleeding Disorders
- Immune Globulin
- Alpha-1
- Hereditary Angioedema

- Hub Services
- Expanded Access Services
- Noncommercial Pharmacy
## HUB SERVICES GROWTH

<table>
<thead>
<tr>
<th>Service</th>
<th>Current</th>
<th>In 2 Years</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Benefit coverage and access support (Bi/PA/Appeals)</td>
<td>26%</td>
<td>26%</td>
<td>100%</td>
</tr>
<tr>
<td>Transportation arrangements</td>
<td>29%</td>
<td>16%</td>
<td>86%</td>
</tr>
<tr>
<td>Engagement insight development</td>
<td>30%</td>
<td>25%</td>
<td>84%</td>
</tr>
<tr>
<td>Health coach/counselor</td>
<td>18%</td>
<td>14%</td>
<td>77%</td>
</tr>
<tr>
<td>Adherence program management</td>
<td>33%</td>
<td>24%</td>
<td>73%</td>
</tr>
<tr>
<td>Co-pay assistance programs</td>
<td>19%</td>
<td>13%</td>
<td>70%</td>
</tr>
<tr>
<td>Remote monitoring</td>
<td>31%</td>
<td>21%</td>
<td>68%</td>
</tr>
<tr>
<td>Affordability &amp; reimbursement support, Alt. coverage/PAP</td>
<td>23%</td>
<td>15%</td>
<td>66%</td>
</tr>
<tr>
<td>Nursing support services</td>
<td>34%</td>
<td>22%</td>
<td>64%</td>
</tr>
<tr>
<td>Billing and coding assistance</td>
<td>32%</td>
<td>19%</td>
<td>60%</td>
</tr>
<tr>
<td>Reward/incentive programs</td>
<td>32%</td>
<td>19%</td>
<td>58%</td>
</tr>
<tr>
<td>Medication delivery/support</td>
<td>47%</td>
<td>26%</td>
<td>55%</td>
</tr>
</tbody>
</table>

Increase:
- 100%
- 86%
- 84%
- 77%
- 73%
- 70%
- 68%
- 66%
- 64%
- 60%
- 58%
- 55%
Pharma Launch Strategy
Specialty Pharmacy Management Services

Atheer Kaddis, PharmD
Executive Vice President of Sales and Strategic Alignment, Diplomat
Atheer Kaddis, PharmD
Executive Vice President of Sales and Strategic Alignment, Diplomat

Atheer has served as Diplomat’s executive vice president of sales and strategic alignment since June 2014. He has also held other executive roles with the company since October 2007, including member of the board of directors from February 2013 to October 2015.

In his current role, Atheer leads strategic coordination of EnvoyHealth’s offerings for payors, hospitals, and other partners. In addition to managing several aspects of EnvoyHealth, he manages our strategy for payors and contributes to business planning. His operational acumen and understanding of areas with high-growth potential further aid his in-depth knowledge of and key relationships in the specialty pharmacy industry.

Before joining Diplomat, he served for seven years as director of pharmacy services clinical at Blue Cross Blue Shield of Michigan. His responsibilities included formulary development, clinical program development, utilization management programs, specialty pharmacy programs, and pay-for-performance programs. He has also been a staff pharmacist at William Beaumont Hospital, a clinical oncology specialist at Grace Hospital, a clinical program manager for the Ford Motor Company account at Blue Cross Blue Shield of Michigan, and an associate director in clinical account management at Merck-Medco (now part of Express Scripts).
Ken Dowell  
Senior Vice President and Chairman of the Lockton Pharmacy Analytics Advisory Board, Excelsior

Ken has been a pioneer in the health care industry since 1986, helping organizations maximize their pharmacy objectives. Ken has made strong contributions to several leading PBMs—focusing his efforts in the business development and strategic direction. Since 2000, Ken has established his position as an industry-leading consultant, offering his unique expertise and insights to health plans, unions, and self-insured employers around the country.

In 2010, Ken founded Excelsior Solutions, which merged with Lockton Companies in 2012. Clients experience a 100 percent transparent pass-through business model and benefit from Ken’s candid approach to the industry.

Ken attended the University of Minnesota–Duluth and offices in the Twin Cities.
Mark Moyers, RPh, CCHP
Director of Clinical Pharmacy Services, Corizon Health

Mark supervises the clinical pharmacy team for PharmaCorr and provides leadership to a nationwide team of clinical consultant pharmacists. He has 10 years of correctional experience and 20 years of retail pharmacy experience.

Mark has experience in retail pharmacy management of independent pharmacy stores and large chain stores; multi-store operations; home infusion operations; and computer systems administrations for multiple pharmacies. Mark has supported PharmaCorr transitions across the country and has provided valuable insight regarding the effective transition of pharmacy services from various providers to PharmaCorr. He has received the PharmaCorr President’s Award recognizing his outstanding performance and dedication to the company.

Mark earned his Bachelor of Science in pharmacy from the University of Missouri–Kansas City.
David Suchanek, RPh
Executive Vice President of Biotech and Specialty Services, D2 Pharma Consulting LLC

David has more than 25 years of experience in patient services and specialty pharmacy operations. Before joining D2, David served as vice president of Pharma Programs at CuraScript (a specialty division of Express Scripts Inc) where he was responsible for some of the organization’s most profitable business product and disease segments. Before beginning at CuraScript, David was the vice president of pharmaceutical services for Cardinal Health and he worked in roles of increasing responsibilities at Caremark, MIM Health Plan, Scrip Solutions/Bioscrip, CVS Procare, and Allscripts Pharmaceuticals. Currently, David acts as an independent consultant for SRI Inc. (Stanford Research International), University of California–San Francisco, and Yale University. David has participated in and moderated numerous advisory boards and has been a featured keynote speaker and national panel participant on issues including specialty pharmacy, access solutions, and supply chain/GPO channel management. David holds a degree in pharmacy from Ohio Northern University College of Pharmacy. He has coordinated research projects on several biotechnology pipeline products at the University of Texas, M.D. Anderson Cancer Center.
Alan Van Amber, RPh
Vice President of Provider Services, Navitus

Alan directs the execution of strategies for procurement of pharmacy services through the retail, mail, and specialty channels at Navitus. He also oversees the company’s e-prescribing program, providing strategic input on delivering appropriate clinical information to prescribers to enhance the member experience at the point of care.

Before joining Navitus, Alan held several senior level positions at Prime Therapeutics, including vice president of pharmacy network management and director of pharmacy provider relations. He also contracted with provider pharmacies for Medicare Part D and secured favorable dispensing fee agreements. Before this, Alan was a clinical account manager with PCS Health Systems, where he developed and maintained formularies. Alan is a member of the National Council of Prescription Drug Programs, the Academy of Managed Care Pharmacy, the National Association of Specialty Pharmacy, the Minnesota Pharmacists Association, and the Pharmacy Society of Wisconsin.

Alan holds a bachelor’s degree in pharmacy from the University of Minnesota. He earned his masters of business administration from the University of Wisconsin MBA Consortium.
TOTAL SPEND ON SPECIALTY DRUGS

SHARE OF TOTAL U.S. DRUG SPENDING

<table>
<thead>
<tr>
<th>Year</th>
<th>Pharmacy Benefit</th>
<th>Infused Oncology</th>
<th>Other Medical Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>$92</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>$127</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td>$179</td>
<td></td>
</tr>
<tr>
<td>2018*</td>
<td></td>
<td></td>
<td>$235</td>
</tr>
</tbody>
</table>

Figures in billions.
* Projected growth
HEARING FROM PAYORS

Categories of "Single Most Important Initiative," Described by Respondents

- Miscellaneous benefit initiatives include P&T committee change, clinical program, formulary change, increased cost sharing, clinical pathway program.
- Miscellaneous organizational efforts include billing requirement enhancements, coordination initiatives, pricing, expanding markets.

COLLABORATION TO REDUCE COSTS
SPEND REPORTING

Contract Spend Detail

Quarterly Totals

<table>
<thead>
<tr>
<th>Month</th>
<th>Rx Count</th>
<th>Spend</th>
<th>340B</th>
<th>Spend / Rx Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>411</td>
<td>$1,643,428.96</td>
<td>$19,125</td>
<td>$4,045.14</td>
</tr>
<tr>
<td>February</td>
<td>435</td>
<td>$1,344,257.30</td>
<td>$21,750</td>
<td>$3,140.25</td>
</tr>
<tr>
<td>March</td>
<td>458</td>
<td>$1,252,165.54</td>
<td>$21,375</td>
<td>$2,780.66</td>
</tr>
<tr>
<td>Total</td>
<td>1,304</td>
<td>$4,238,851.90</td>
<td>$62,280</td>
<td>$3,298.16</td>
</tr>
<tr>
<td>April</td>
<td>376</td>
<td>$1,003,038.97</td>
<td>$17,875</td>
<td>$2,715.20</td>
</tr>
<tr>
<td>May</td>
<td>386</td>
<td>$1,165,498.24</td>
<td>$17,375</td>
<td>$3,064.44</td>
</tr>
<tr>
<td>June</td>
<td>418</td>
<td>$1,265,041.97</td>
<td>$20,875</td>
<td>$3,070.36</td>
</tr>
<tr>
<td>Total</td>
<td>1,180</td>
<td>$3,433,579.18</td>
<td>$56,125</td>
<td>$2,957.38</td>
</tr>
<tr>
<td>July</td>
<td>395</td>
<td>$1,086,455.31</td>
<td>$19,000</td>
<td>$2,790.62</td>
</tr>
<tr>
<td>August</td>
<td>466</td>
<td>$1,461,530.94</td>
<td>$24,000</td>
<td>$3,187.83</td>
</tr>
<tr>
<td>September</td>
<td>451</td>
<td>$1,277,089.91</td>
<td>$26,375</td>
<td>$2,890.17</td>
</tr>
<tr>
<td>Total</td>
<td>1,312</td>
<td>$3,825,076.16</td>
<td>$68,375</td>
<td>$2,968.33</td>
</tr>
<tr>
<td>October</td>
<td>449</td>
<td>$1,105,032.44</td>
<td>$33,125</td>
<td>$2,586.72</td>
</tr>
<tr>
<td>November</td>
<td>471</td>
<td>$1,184,232.37</td>
<td>$48,375</td>
<td>$2,617.00</td>
</tr>
<tr>
<td>December</td>
<td>449</td>
<td>$1,305,335.61</td>
<td>$45,500</td>
<td>$3,008.54</td>
</tr>
<tr>
<td>Total</td>
<td>1,360</td>
<td>$3,594,600.42</td>
<td>$127,000</td>
<td>$2,736.47</td>
</tr>
<tr>
<td>Total</td>
<td>5,156</td>
<td>$15,093,107.56</td>
<td>$314,750</td>
<td>$2,988.34</td>
</tr>
</tbody>
</table>

- Infectious Disease
- Oncology
- Multiple Sclerosis
- Rheumatology
- Dermatology
- Miscellaneous
- Growth Hormone
- Inflammatory Bowel Disease
- RSV
- Other Inflammatory Diseases
- Specialty Infusion
- Transplant
HEPATITIS C COST AVOIDANCE

Data Collection and Reporting

- Patient demographics
- Baseline clinical characteristics
  - Patient readiness to therapy
  - Therapy to guidelines
  - Duration of therapy
- Challenges and resolutions
  - Adherence
  - Adverse events
  - Other
- SVR
  - Reported by office
  - Reported by patient

### Harvoni 8- vs. 12-Week Therapy

<table>
<thead>
<tr>
<th>Patients Eligible</th>
<th>Patients put on 8-Week Regimen</th>
<th>WAC Cost Savings per Patient</th>
<th>Plan Savings During Study</th>
</tr>
</thead>
<tbody>
<tr>
<td>385</td>
<td>285</td>
<td>$31,500</td>
<td>$8,974,350</td>
</tr>
</tbody>
</table>

**Notes**

1. Patient has to meet criteria:
2. Provider must agree to 8-week therapy
3. ION-3 trial does show 5% relapse rate and 94% SVR [for the 8-week regimen] versus only 1% relapse rate and a 96% SVR in 12-week treatment cohorts

https://aishealth.com/archive/nspn0615-01

Proprietary & Confidential of Diplomat Pharmacy Inc.
WASTE MITIGATION

By not auto-shipping medications, Diplomat reduces costs and ensures patients receive medications without stockpiling or waste.

BACKGROUND
A West Coast managed Medicaid health plan covering 178,000 lives needed a way to manage rising trends in spend while maintaining a high level of patient care.

SOLUTION
Before sending medication, call patients about adherence, side effects, and remaining medication while confirming insurance coverage and shipping address.

$51,000
Average savings per patient per quarter where intervention took place¹

SPLIT-FILL PROGRAM

- Consists of two-week supply for up to three months
- Specific medications targeted due to high discontinuation rate, poor response, adverse effects, and/or nonadherence
- Increases opportunities for clinical care for newly diagnosed patients


Total oncology split-fill treatments (2016): 769

Total oncology split-fill cost avoidance (2016): $1,847,572

Average oncology split-fill cost avoidance per treatment (2016): $2,503
Specialty Pharmacy Management Services
Questions & Answers
Phil Hagerman, RPh
Chief Executive Officer, Chairman of the Board of Directors, Diplomat

Phil has served as Diplomat’s chief executive officer, a director, and the chairman of the board of directors since 1991. He cofounded Diplomat with his father in 1975.

Phil has led Diplomat as its principal executive officer, chair of the board of directors, and a director for approximately 24 years. He has a unique perspective and understanding of Diplomat’s business, culture, and history, having led Diplomat through many economic cycles and operational initiatives. His day-to-day leadership of Diplomat gives him critical insights into operations, strategy and competition, and he facilitates the board’s ability to perform its oversight function. Throughout his career at Diplomat, he has shown strong entrepreneurial skills, as well as regulatory, marketing, strategic, and operational expertise. He possesses in-depth knowledge of and key relationships in the specialty pharmacy industry.
Atul Kavthekar
Chief Financial Officer and Treasurer, Diplomat

Atul leads Diplomat’s financial operations and investor relations efforts. He also is responsible for managing liquidity, balance sheet risk, and capital market transactions to ensure Diplomat remains well-positioned to capitalize on growth opportunities.

Atul has over two decades of financial experience. Prior to Diplomat, he served as the chief financial officer of LivingSocial, Inc., an ecommerce retailer, from June 2015 to December 2016, and was responsible for overall financial and operational improvement of the business. He previously held executive roles at Walgreens, from December 2009 to December 2013, and at Sears Holdings Corporation’s health and wellness division, which includes the Kmart Pharmacy chain, from December 2013 to May 2015.

In addition to his previous CFO experience, Atul has a deep background in financial management, operational improvement, and company leadership, as well as in strategic corporate and business development. Atul also has extensive experience in mergers, acquisitions, and capital markets as an investment banker.
Questions & Answers
In Closing
Phil Hagerman, RPh
Chief Executive Officer, Chairman of the Board of Directors, Diplomat

Phil has served as Diplomat’s chief executive officer, a director, and the chairman of the board of directors since 1991. He cofounded Diplomat with his father in 1975.

Phil has led Diplomat as its principal executive officer, chair of the board of directors, and a director for approximately 24 years. He has a unique perspective and understanding of Diplomat’s business, culture, and history, having led Diplomat through many economic cycles and operational initiatives. His day-to-day leadership of Diplomat gives him critical insights into operations, strategy and competition, and he facilitates the board’s ability to perform its oversight function. Throughout his career at Diplomat, he has shown strong entrepreneurial skills, as well as regulatory, marketing, strategic, and operational expertise. He possesses in-depth knowledge of and key relationships in the specialty pharmacy industry.