PBM SOLUTIONS FOR PATIENTS AND PAYERS

Reducing Prescription Drug Costs

Designing Solutions for Employers, Unions, and Government Programs

Delivering High Patient Satisfaction and Improved Outcomes

Improving Patient Access, Safety, and Convenience

Preventing Fraud, Waste, and Abuse

PCMA
Modern pharmacy benefit management (PBM) emerged in the 1990s as a wave of new blockbuster prescription drugs came to market and the FDA opened the door to direct-to-consumer advertising. As drug utilization and costs skyrocketed in this era, payers demanded that PBMs develop innovative strategies to lower costs for patients and payers alike.

Today, PBMs help more than 266 million Americans access safe, affordable prescription drugs. PBMs negotiate price concessions from drug manufacturers and pharmacies; drive improvements in the quality of health outcomes for patients through drug adherence programs; and root out fraud, waste, and abuse across the system.
REDUCING PRESCRIPTION DRUG COSTS

Pharmacy benefit managers will save employers, unions, government programs, and consumers $654 billion over the next decade.¹

PBM redue drug costs by:

✔ Promoting the use of generics and more affordable brand medications.
✔ Negotiating price concessions from drug manufacturers and drugstores.
✔ Offering clinical programs to drive medication adherence and health outcomes that address the nearly $300 billion in annual cost associated with non-adherence.
✔ Providing home delivery of prescription drugs and creating select networks of affordable pharmacies.
✔ Reducing fraud, waste, and abuse.

MEDICARE PART D

» Medicare Part D plans are administered by PBMs and have 90% patient satisfaction.
» PBMs negotiate significant discounts with drug manufacturers that help reduce Part D premiums, deductibles, and cost-sharing for beneficiaries.²
» PBMs offer preferred pharmacy networks, which help reduce costs for nine out of ten seniors from urban, suburban, and rural areas.³
» The Part D program has come in beneath CBO cost projections since its inception.
» Part D monthly premiums have remained stable at around $34.⁴

On average, people with large employer coverage had pharmacy cost-sharing expenses of **$144 per person** in 2014, down from a recent high of $167 in 2009 (or about $185 in 2014 dollars).⁵

PBMs help patients and payers save **$941 per year** in prescription drug costs.⁶
DESIGNING SOLUTIONS FOR EMPLOYERS, UNIONS, AND GOVERNMENT PROGRAMS

For over two decades, PBMs have delivered innovative solutions based on payer and patient needs. In the modern era of high priced and specialty drugs, payers continue to look to their PBMs for solutions to improve affordability, quality, and access for patients.

Payers rely on PBMs to:

✔ Ensure patients are treated with the right drug, at the right time, and at the right price.
✔ Encourage patients to make value-based decisions.
✔ Improve prescription drug adherence.
✔ Provide integrated care programs for patients with complex conditions.
✔ Develop high quality, affordable preferred pharmacy networks.
✔ Promote value-based benefit design that rewards drug makers for improved outcomes.
✔ Use medical benefit management programs to reduce wasteful spending.
✔ Promote appropriate and affordable sites of care.

95% of business owners and executives are satisfied with the company they’ve chosen to manage their prescription drug benefits.7
DELIVERING HIGH PATIENT SATISFACTION AND IMPROVED OUTCOMES

✔ Nine in ten consumers are satisfied with their prescription drug benefits.⁸

✔ 75% of Medicare beneficiaries chose preferred pharmacies that offer convenient access and extra discounts at certain pharmacies.⁹

✔ PBMs and payers utilize programs that integrate patient-specific medical, pharmacy, and lab data to identify patients at highest risk for non-adherence.¹⁰ Specialty pharmacies capitalize on this data by providing at-risk patients with highly personalized interventions to increase medication adherence and achieve improved clinical outcomes.

✔ PBMs use specialty pharmacies and data-driven utilization management programs to ensure that patients take the optimal doses of their medications. These tools have resulted in 11% overall savings for patients with hemophilia¹¹ and 8% savings for patients using immunoglobulin drugs.¹²

✔ In traditional retail pharmacies, pharmacist-patient consultations last an average of two minutes. In contrast, average clinical consultations at specialty pharmacies last 15 minutes. This explains why clinical care programs for patients with rheumatoid arthritis have resulted in 16% higher adherence over retail pharmacies, 23% fewer doctor’s office visits, 9% fewer annual emergency room visits, and $1,797 in annual medical cost savings per patient.¹³
IMPROVING PATIENT ACCESS, SAFETY, AND CONVENIENCE

PBMs develop and deliver patient-centric programs that lower prescription drug costs, improve quality and convenience.

✔ PBMs work with the country's 60,000+ pharmacies to ensure patient access to quality and safe pharmacy care.

✔ PBMs ensure patients get the right drugs at the right dosages to avoid dangerous and costly adverse drug events and hospitalizations.

✔ PBMs provide patients broad access to affordable prescription drug options.

✔ PBMs offer convenient home delivery of chronic medications.

✔ PBMs provide 24-7 access to specialty and mail-service pharmacy clinicians.

✔ PBMs promote cutting edge e-prescribing technology to reduce medication errors and prevent fraud.

✔ PBMs improve drug adherence and help patients manage medication side effects.

✔ PBMs work with high-risk patients and pharmacies to curb opioid abuse.
PREVENTING FRAUD, WASTE, AND ABUSE

PBM home delivery medication programs, less than 1% of all medications dispensed for Medicare beneficiaries are wasted. In comparison, two-thirds of medication wasted in Medicare is dispensed by drugstores.14

✔ Mail-service pharmacies are highly automated and able to quickly act on beneficiary information, therefore preventing unnecessary medications from being dispensed.

✔ PBMs design programs to minimize medication wastage that is from patient prescription filling patterns, the discontinuation of therapy, changed dosages, and other unexpected medication changes.

✔ PBMs provide doctors and patients access to cutting edge e-prescribing technology to reduce medication errors and prevent fraud.

✔ Diabetes patients under age 65 who used mail-service pharmacies had significantly fewer emergency room visits than those who picked up prescriptions at retail pharmacies.15

✔ PBMs prevent opioid abuse and drugstore shopping by working with high-risk patients to stop improper prescriptions from crossing the pharmacy counter.
NOTES

1 Visante, “Pharmacy Benefit Managers (PBMs): Generating Savings for Plan Sponsors and Consumers,” February 2016. Estimated $654 billion savings relative to limited/low PBM management.


6 Visante, “The Return on Investment (ROI) on PBM Services,” November 2016. Estimated $941 per patient per year savings relative to no PBM management.


