A risk mitigation (sometimes referred to as spread) pricing model provides employers and other health plan sponsors with cost predictability by giving them a price-certain for prescription drug benefit payments to pharmacies.

Risk mitigation (spread) pricing holds the client harmless for their enrollees’ pharmacy shopping choices and aligns the interests of the PBM, pharmacy, and plan sponsor to achieve the lowest possible cost.

Different pharmacies have different negotiated rates.

- Pharmacy A: $140 for Drug X
- Pharmacy B: $135 for Drug X
- Pharmacy C: $150 for Drug X

PBM guarantees plan sponsor a rate of $140 and takes risk on which pharmacy(ies) the plan’s enrollees choose to fill their prescriptions.