



MBGH

Midwest Business Group on Health

The Source for Leading Health Benefits Professionals

Experiences with Pharmacy Benefit Consultants & PBMs

Employer Survey Results

November 2017

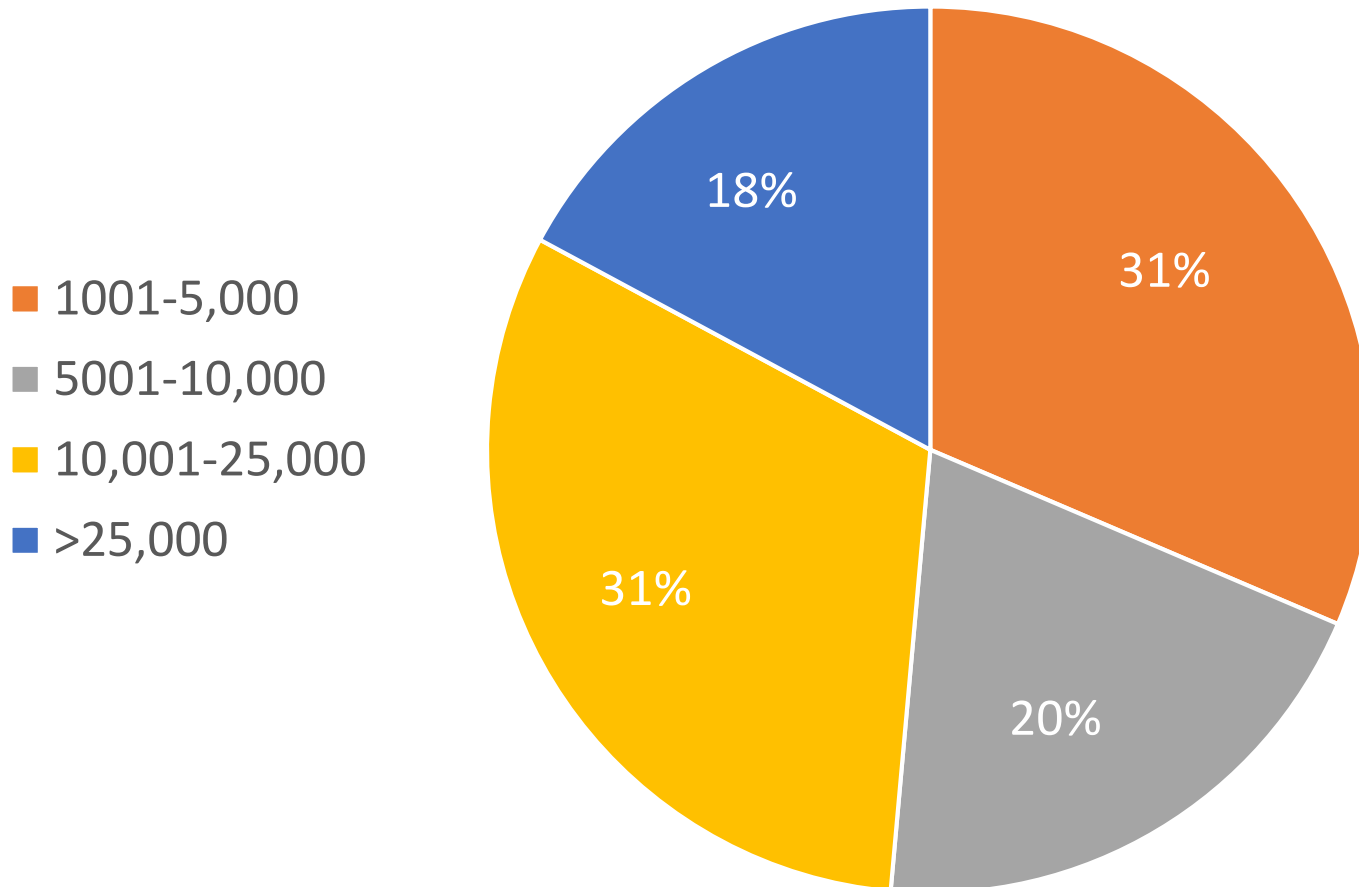
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Survey Overview

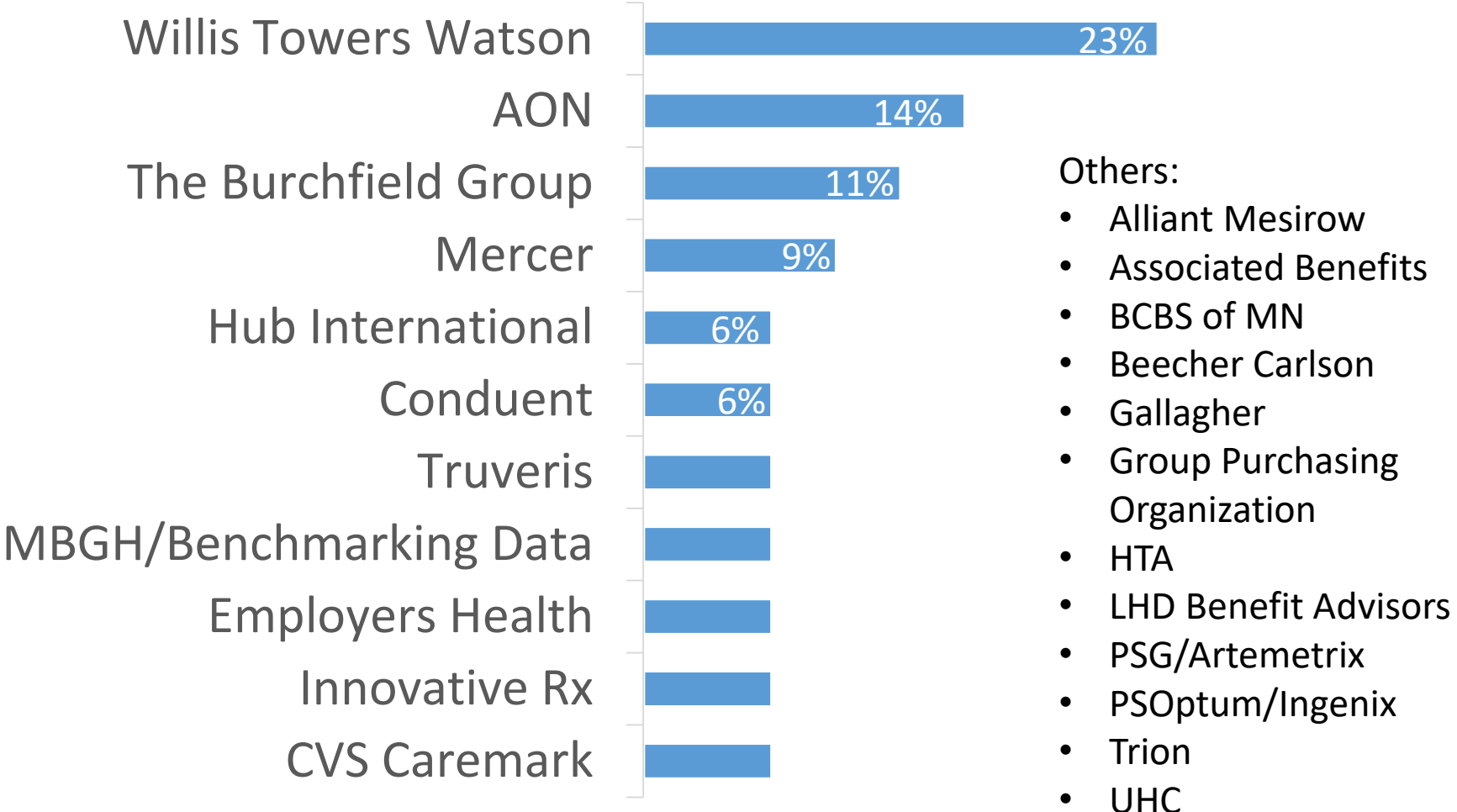


- Survey conducted in November 2017 to understand employers' experiences with Pharmacy Benefit Consultants and PBMs
- 35 employers responded to the survey
- Surveyed employers are using the top 3 PBMs or carve in with their medical carrier
- Transparency in pricing and rebates remain a primary concern

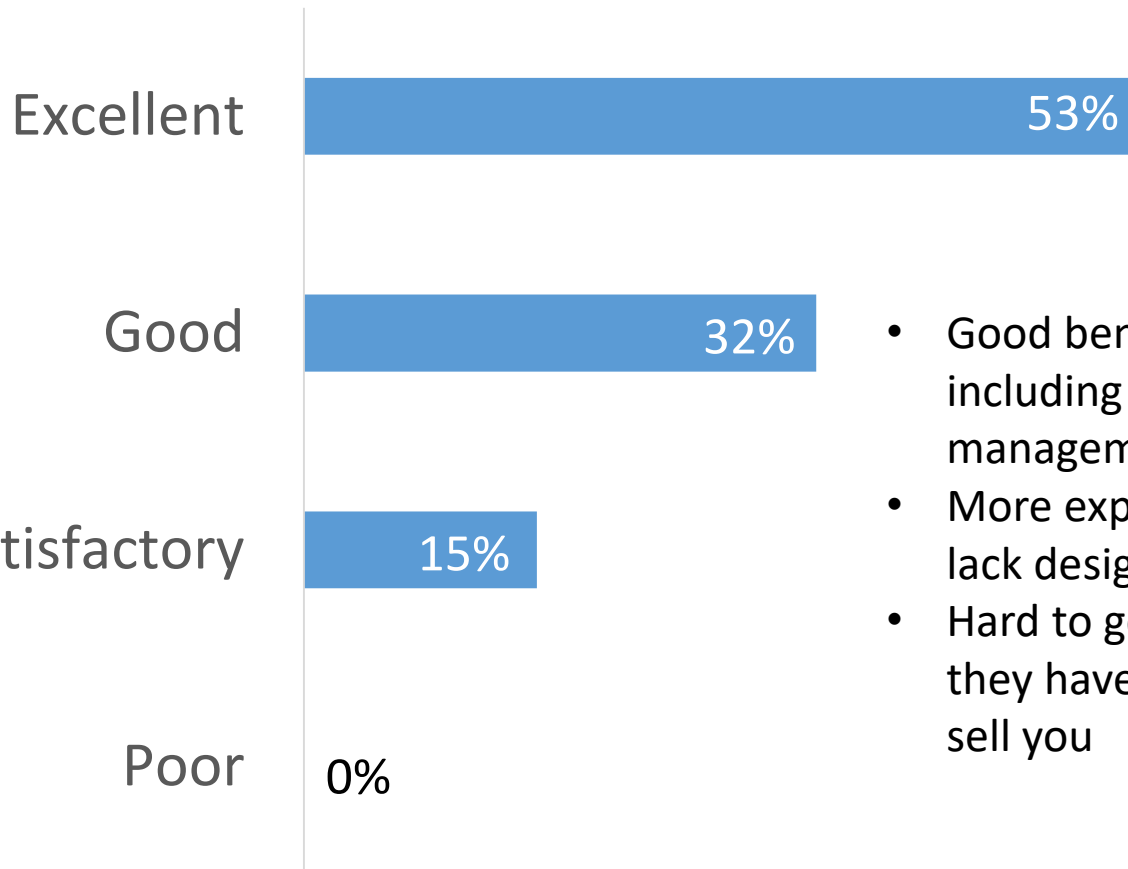
Size of Respondent Workforce



External firms employers use for consulting and advice for their pharmacy benefit strategy:



Indicate your overall experience with the consultants:



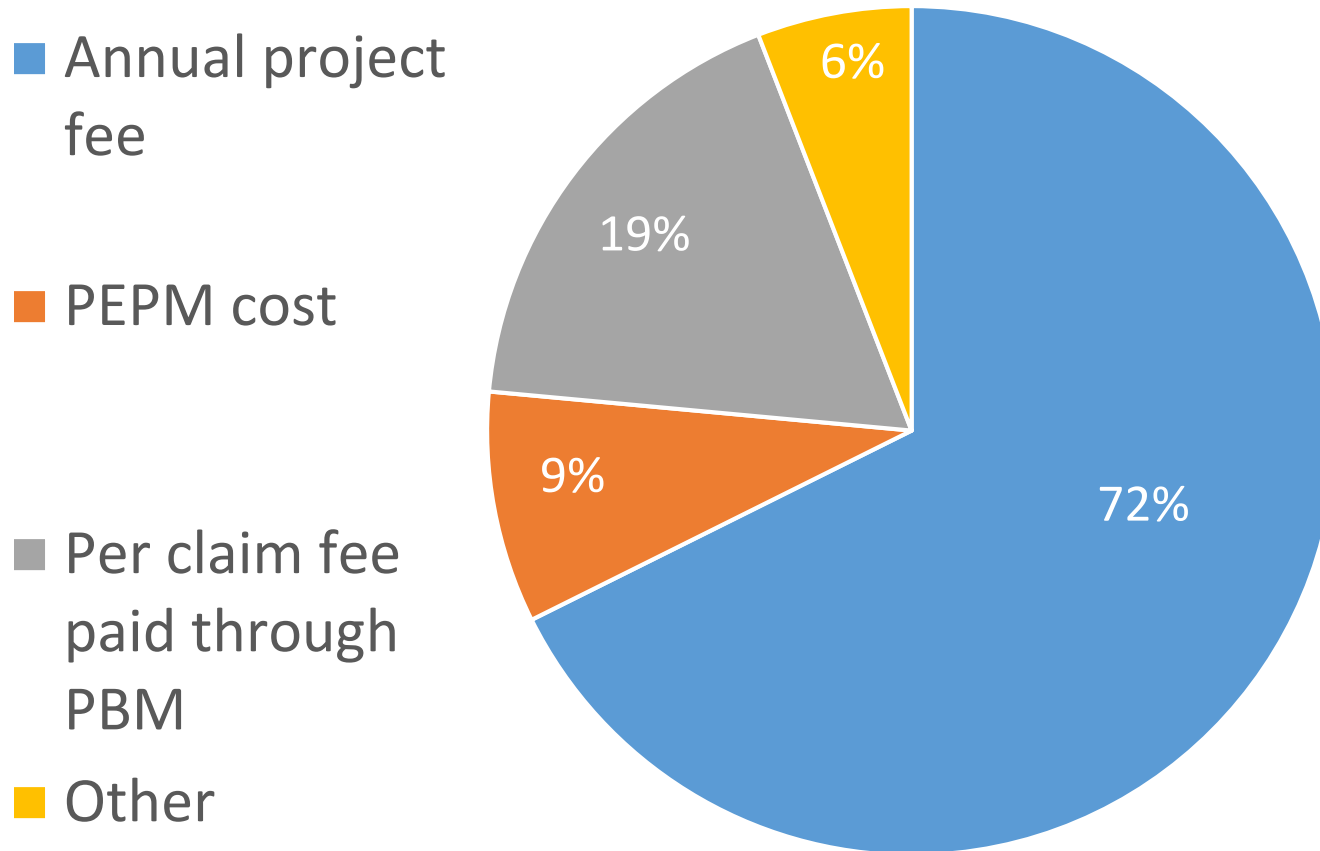
COMMENTS:

- Good bench strength for multiple areas, including core strategy and project management work
- More expertise in contracting and audits, lack design expertise
- Hard to get an independent advisor when they have a coalition that they are trying to sell you

Indicate your overall experience with the consultant(s) for each of the following categories:



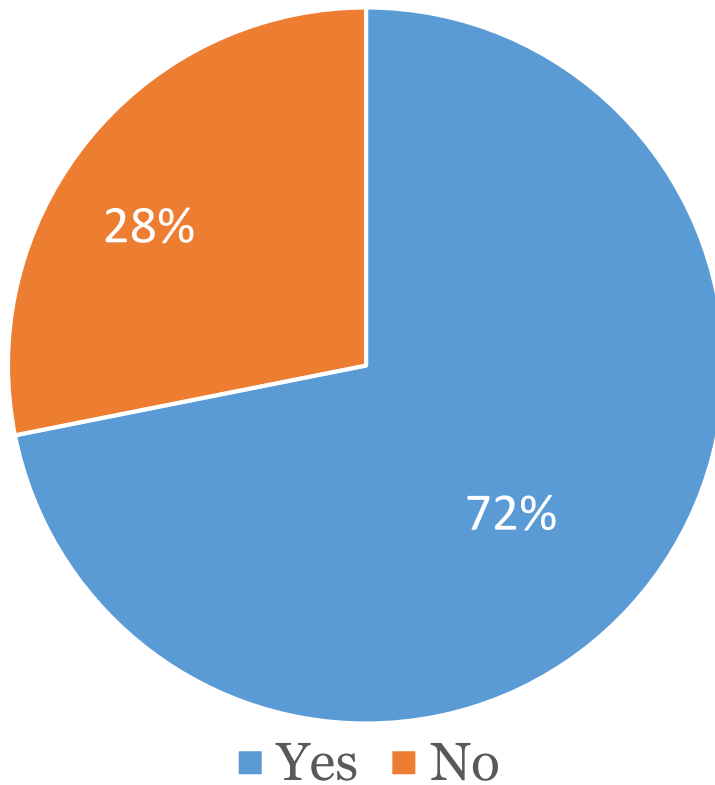
How is the consultant compensated?



Other:

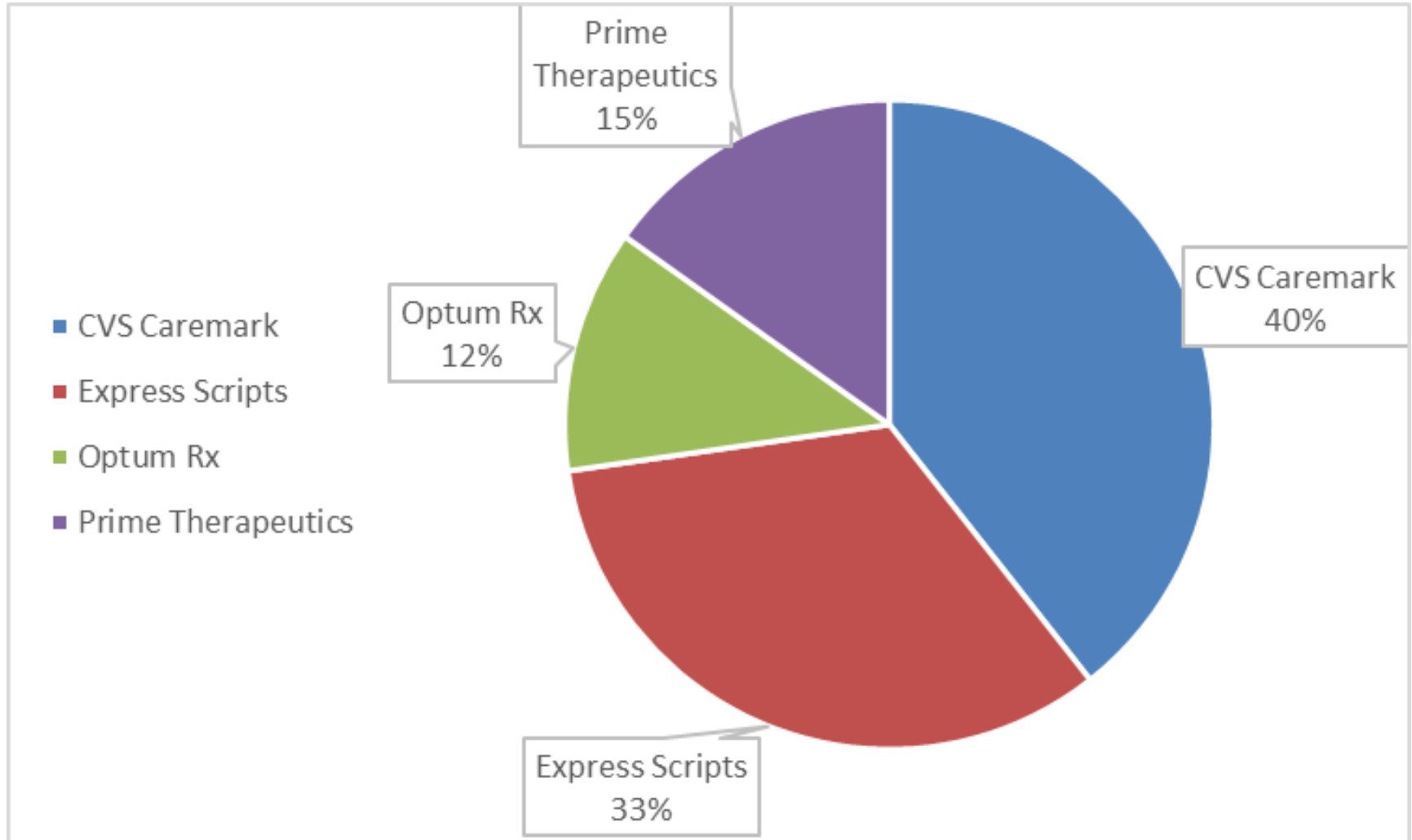
- Commission from placement of other insurance
- Mercer receives an annual fee for leading the coalition while Towers annual fee includes all H&W consulting.

Are you willing to discuss your experience with other employers members?

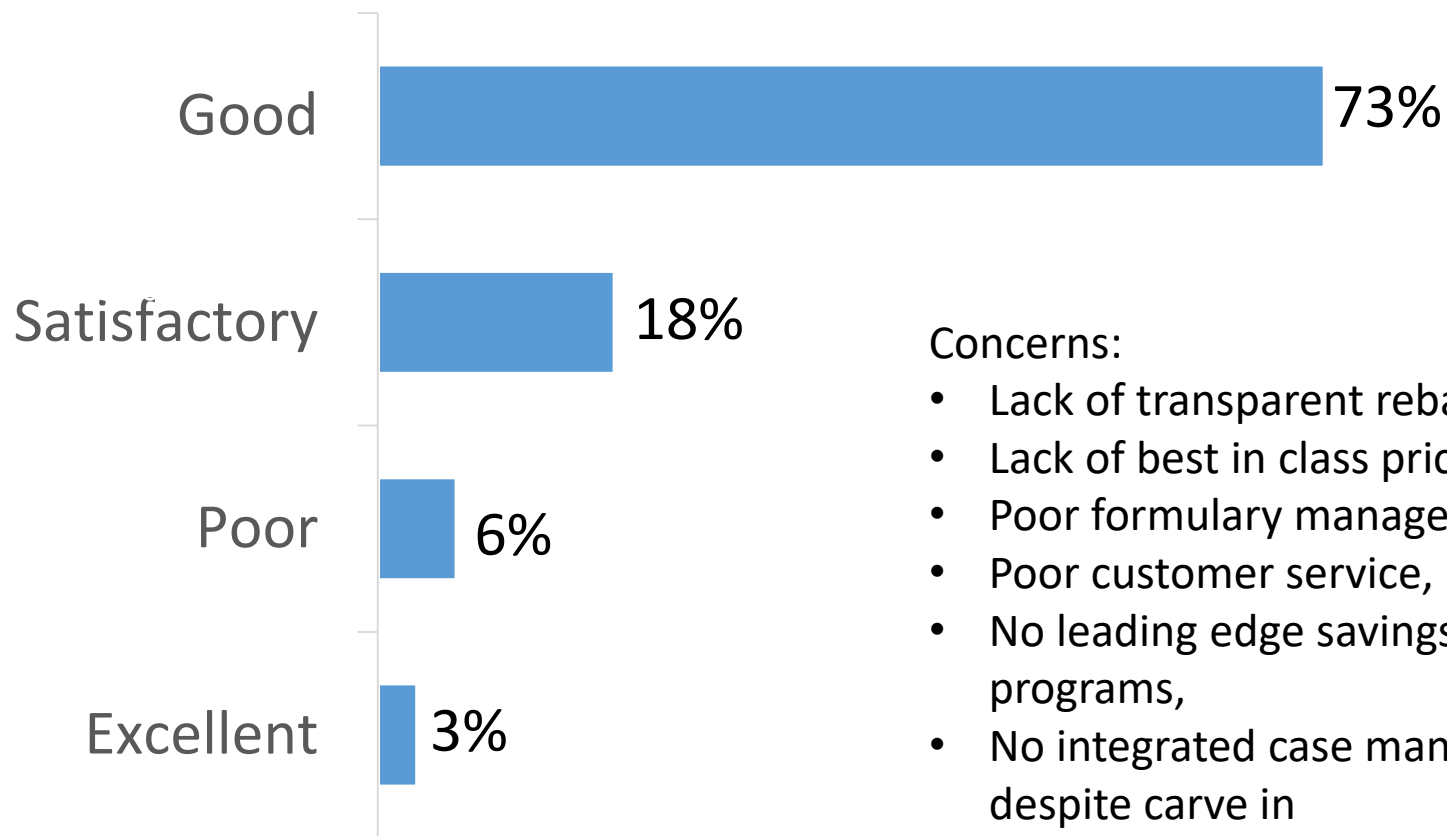


- We cannot divulge any contract specifics.
- Would love to connect with other BCBS customer who carve in and/or who carve out Rx
- Service only; fees cannot be discussed

Indicate the external firm(s) you use as your Pharmacy Benefit Manager (PBM):



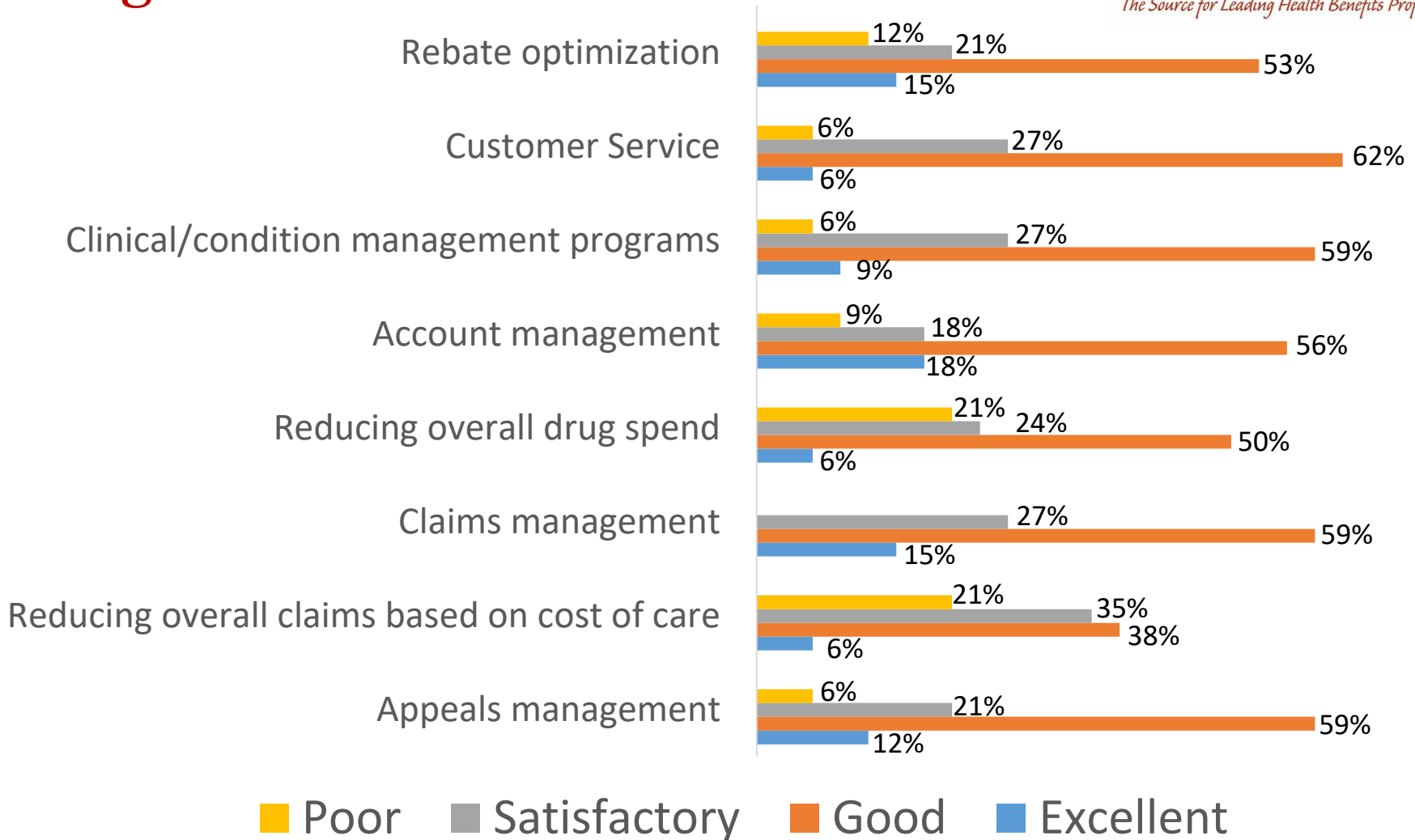
Indicate your overall experience with the PBM(s):



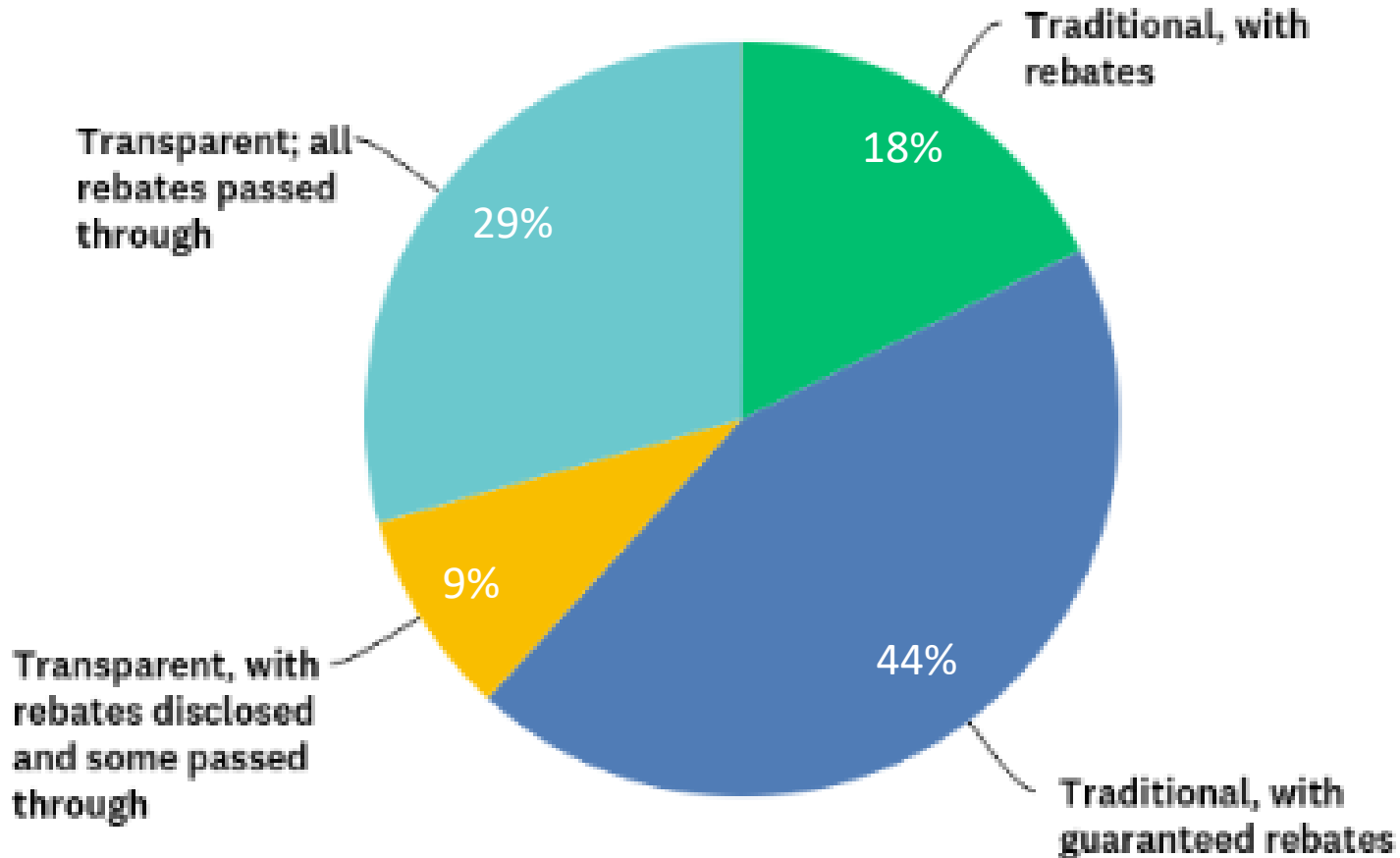
Concerns:

- Lack of transparent rebates
- Lack of best in class pricing,
- Poor formulary management,
- Poor customer service,
- No leading edge savings programs,
- No integrated case management despite carve in

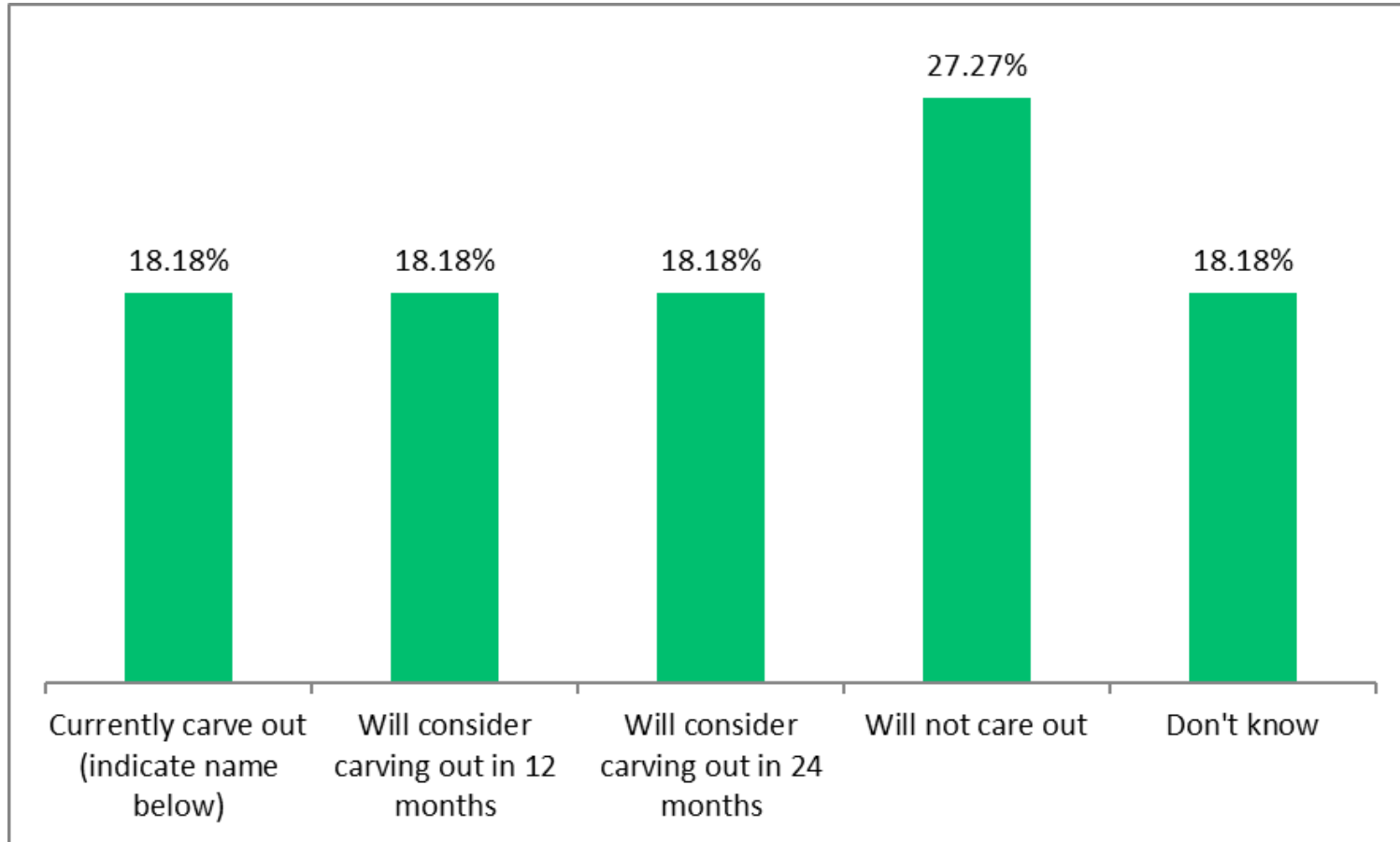
Indicate your overall experience with the PBM(s) in each of the following categories:



PBM contract options in place:



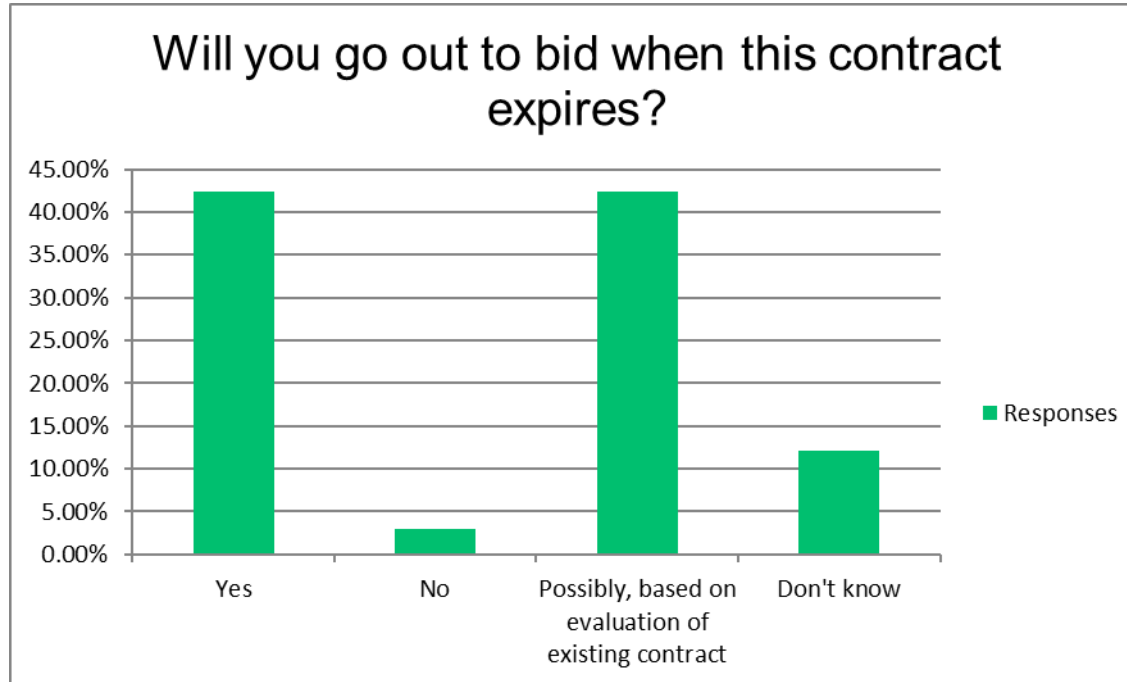
Do you carve out specialty drugs from your PBM, or would consider?



Accredo was the only one mentioned, they are used by Express Scripts

When does your primary PBM contract renew?

2018	2019	2020
31%	39%	31%



What the PBMs do best...

- Customization of formulary based on employer's request
- Technology
- Accuracy of claims adjudication
- Strategies to save the plan and patients' money
- Good clinical programs for high cost drugs
- Reporting and recommendations for clinical programs
- Account Management
- Integration of medical and pharmacy claims
- Manages EGWP populations
- Patient satisfaction, minimal employee issues
- Pharmacy network

Where PBMs can improve:

- Account team turnover
- Transparency with rebates
- Transparency with pricing
- Customer service and mail order
- Providing cost impact for plan or program changes quickly
- Contract review process and timing allowed
- Specialty pharmacy management



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