PRISM HEALTH GROUP CASE STUDY

From Hidden Costs to Clear Wins: How Prism Delivered PBM Savings and Transparency

CLIENT CHALLENGE

A large employer managing over 3,300 covered lives faced rising pharmacy costs under a traditional PBM contract. The organization needed a partner to uncover hidden margins, increase transparency, and control long-term spend.

PRISM'S SOLUTION

In 2023, Prism conducted a **full-market PBM procurement,** inviting five pharmacy benefit managers to bid. The client prioritized transparency and financial improvement. After evaluating initial offers, Prism negotiated Best & Final Offers (BAFOs) from the top two contenders, ultimately recommending a move from the incumbent to a pass-through PBM model effective January 1, 2024.

PROJECTED IMPACT

Prism estimated a $1.1 million (27.78%) savings opportunity for the client's first year under the new PBM model, with net cost (after rebates) projected at $2.9 million and a PMPM of $74.09.

THE OUTCOME

Metric	Traditional Model (2023)	Pass-Through Model (2024)
Member Lives	3,300	3,613
Net Cost (Pre-Rebates)	$4.69M	$4.38M
Annual Rebates	$1.17M	$1.79M
Net Cost (Post-Rebates)	$3.53M	$2.59M
PMPM (Post-Rebates)	$89.10	$59.78

The shift to a pass-through PBM model delivered exactly what the client needed: **measurable cost reduction, significantly improved rebate performance, and full pricing transparency.** With PMPM costs reduced by **over 30%**, this case proves that Prism's Procurement Process isn't just a better analysis; it's a performance guarantee. In an industry full of assumptions, Prism stands out by being paid to be right - not to guess.

Have More Questions? Let's Connect.

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