



Pharmacy Benefit Managers:

The Intersection of Care and Cost Savings

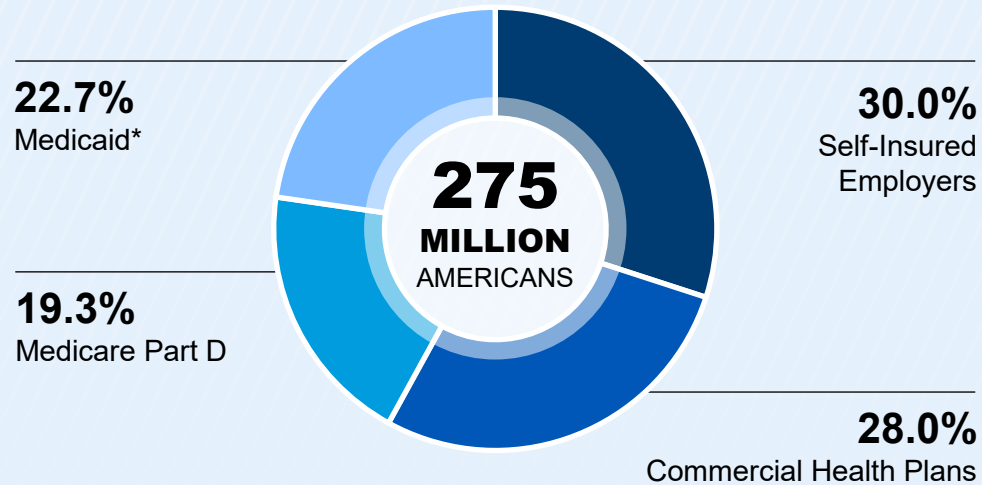
About PCMA

The Pharmaceutical Care Management Association (PCMA) is the national association representing America's pharmacy benefit managers (PBMs). PBMs administer prescription drug plans for more than 275 million Americans who have health coverage from a variety of sponsors. PCMA continues to lead the effort in promoting PBMs and the proven tools they utilize, which are recognized by consumers, employers, policymakers, and others as key drivers in lowering prescription drug costs, increasing access, and improving outcomes.



PBMs serve consumers across plan types

Americans With Drug Benefits Managed
by PBMs, by Type of Coverage



*Excludes "Medicare/Medicaid Dual Eligibles" where drugs are covered by Medicare Part D, includes Managed Medicaid and fee-for-service Medicaid when a PBM is used.

Source: Visante, estimates prepared for PCMA. (2023).

PCMA Members



What are pharmacy benefit managers' core functions?

PBMs do four main things:

1

Process prescription drug claims at the pharmacy.

2

Negotiate savings for brand drugs from manufacturers

3

Negotiate with pharmacies to reduce costs

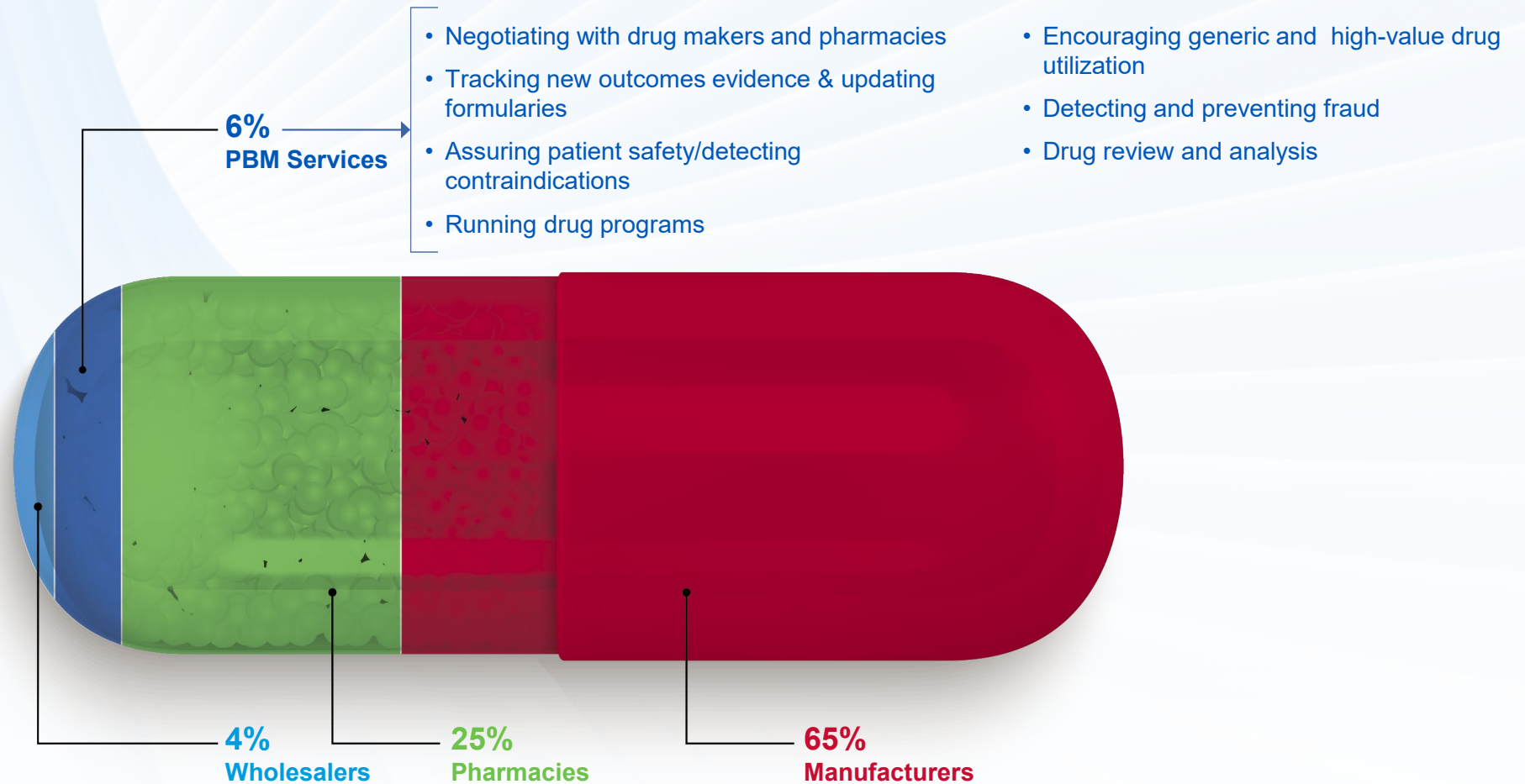
4

Provide tools and programs to support patients, employers, and clinicians.

PBMs save employers and patients an average of \$1,040 per person per year and provide \$145 billion in overall value to the health care system.

Share of drug dollar retained by drug supply chain participants

90% of the Rx dollar is retained by drug manufacturers and pharmacies



Source: Visante estimates, based on data published by IQVIA, Pembroke, Altarum, USC Schaefer, and Health Affairs. Figure displays estimated total net expenditures (after rebates), both brands and generics. Includes only traditional PBM services, and excludes prescriptions filled by PBM-owned mail/specialty pharmacies, which cost less than retail but provide added margins to PBMs who own mail/specialty pharmacies.

Decisions made by others

Employers

- Which drugs to cover at certain price points
- A patient's copay or cost share
- Which pharmacies to include in a network

Independent Pharmacies

- Choosing to contract directly with a PBM or use a PSAO
- Contracting with a wholesaler(s) to purchase drugs
- Which drug discounts they wish to obtain when purchasing
- Any additional services the pharmacy wishes to provide

Thank you.

Marcu Caruso
Prime Therapeutics

Tonia Sorrell-Neal, PCMA