



CASE STUDY

# Shifting the Cost Equation

Three years of incredible net per member per month (PMPM) cost improvements

In March of 2020, a plan transitioned mid-year from a large pharmacy benefit management (PBM) company to Prescriptive Health – and it hasn't looked back. Over the course of the past three years, the plan has seen a 45% improvement in plan savings with Prescriptive Health when compared to the incumbent PBM.

30%

Drop in PMPM costs for the plan in the months following Prescriptive's implementation

18%

decrease in net PMPM in the subsequent two years

45%

improvement in plan savings compared to the incumbent over the life of the account (3 years)

*“Prescriptive Health has really done a great job of helping to bring down and control costs, as in 45% lower than when we started three years ago.”*

Current Prescriptive Health Client, Vice President, Human Resources

# A PBM that empowers

Making the decision to move from one PBM to another is not easy for plan sponsors – especially when the change is occurring mid-year.

Due to the March 2020 transition date to Prescriptive Health, the plan kept its current plan design and formulary in-tact from the incumbent PBM to minimize member disruption. However, change couldn't come soon enough.



Upon reviewing the plan's data, Prescriptive identified eight major drivers for high plan costs from the incumbent PBM:

1. Mismanaged drug maintenance list with high-cost drugs
2. 100% coverage of maintenance list
3. Low rebates
4. Spread-pricing
5. Mismanaged general formulary (e.g. Over the Counter (OTC) equivalents and branded generics covered)
6. Flat benefit structure
7. High utilization of non-preferred brands
8. No specialty co-pay assistance management

In September 2020, the plan implemented Prescriptive Health's formulary, plan design changes and recommendations. PMPM costs for the plan plummeted by 30% in the months following Prescriptive's implementation.

Costs continued to decrease by 18.3% net PMPM in the subsequent two years. At the end of the first quarter of 2023, the plan achieved a 45% net PMPM savings compared to the incumbent PBM.

*"Prescriptive Health has really done a great job of helping to bring down and control costs, as in 45% lower than when we started three years ago,"* said the plan's Vice President, Human Resources. *"They're very transparent and hold up to their commitments."*

And the savings is just one part of this success story. The experience has wowed plan members and exceeded their expectations. Unprompted, one plan member shared this story with Prescriptive:

*"Let me just say that my daughter has been dealing with a prior auth, expired Rx through Prescriptive, and they have been outstanding beyond expectations,"* said Vice President, Health Systems. *"[Prescriptive employee] has treated us VERY well and has just been outstanding and helpful to get the providers 'in line' when the doc's office has caused all the disruption. Loving the service we've been getting!"*



prescriptive

All the core services,  
**none of the PBM games**

Contact us to request a demo or savings analysis for your plan at [prescriptive.com](https://www.prescriptive.com)