

CaseStudy

Client Sees Rx Spend Trimmed By More Than Half From Prior Year

Rebates and PBM contract review net 55% in Rx cost savings

CLIENT

A mid-sized company with diverse holdings in the food and entertainment sector with about 400 employees

CHALLENGE

The employer was content with the pace at which overall benefit costs were rising over the years, but wanted to tackle the disproportionately high rise of pharmacy benefit costs. The client sought ideas to reduce the costs while maintaining the overall quality of benefits enjoyed by its employees. The client was in a “carve-in” PBM through a national carrier and its annual Rx costs were \$1,055,385 after discounts.

SOLUTION

The Apex team identified hidden sources of revenue the PBM embedded in the client’s contract. After reviewing the language of the PBM that determined the contract structure and pricing, the client was able to find savings without changing any benefits to its employees.

RESULTS

After discounts, rebates and fees, the client enjoyed annual savings of \$405,311 from its Rx spend. Apex also uncovered additional savings through clinical, utilization and specialty drugs of another \$117,874. That meant more than \$580k in savings. Those savings totaled 55% of the costs from the prior year, a drastic reduction in spend.