

CaseStudy

Client Realizes Nearly \$3M in Rx Savings in One Year

Rebates, discounts and PBM contract review net cost savings

CLIENT

A large Indianapolis-based employer with 16,000 covered lives across the U.S.

CHALLENGE

The client had been experiencing steadily increasing costs of Rx claims with most recent annualized pharmacy claims of \$11.8M for its plan members.

SOLUTION

After reviewing the language of the pharmacy benefit management (PBM) contract that determined the terms and cost variables, savings opportunities were identified without changing any benefits to employees. Apex negotiated higher discounts and reduced dispensing fees while gaining a significant increase in the share of pharmaceutical manufacturer-derived revenues for plan members. Importantly, improved contract terms were negotiated including leveraging discounts available during the deductible and coinsurance periods.

RESULTS

The client saved \$2.7M net of Apex fees in the first year with no change in benefit design or disruption in member access to medications. The client's employees and plan members benefited from over \$400,000 in additional savings during the first year based on the improved PBM contract terms.