



What questions should I ask about my PBM to make sure they are looking out for my interests?

You hire a Pharmacy Benefit Manager (PBM) to provide effective cost management of your pharmacy benefit program. Here are some questions to ask to understand performance and the way your PBM operates.

1. Does your PBM negotiate rebates from drug manufacturers?

If the answer is yes, ask if the rebates are passed through to their clients. You should know all the rebates your PBM receives as a result of your account and whether they are passed along, in whole or in part to your company. QCP Rx passes 100 percent of all rebates received to our clients.

2. Does your PBM charge you the same amount for each prescription that they pay the pharmacies to fill them?

PBMs negotiate with retail and mail order pharmacies for discounts based on AWP pricing. Some pass along lesser discounts to their clients and retain a portion as revenue. Find out if your PBM is taking a “spread” – the difference between what a dispensing pharmacy is paid and what the PBM charges your plan. At QCP Rx, we charge our clients the actual cost of the prescription. No markups, the pharmacy is paid what we bill our client.

3. Does your PBM make recommendations on how to reduce utilization and pricing to keep your expenses down?

Price, formulary and utilization are the three critical areas for managing your pharmacy benefit. Price is determined by the negotiated network terms. Plan-driven formularies should prefer the most cost-effective drugs. Utilization can be managed through benefit design, along with appropriate utilization management and disease management programs. QCP Rx, we make recommendations in each of these areas for optimal cost management of your pharmacy benefit.

4. Will your PBM provide data downloads to integrate your medical and pharmacy data for overall medical benefit planning?

Pharmacy data is integral to successfully manage the entire medical benefit plan. QCP Rx provides data downloads so that your prescription information can be incorporated with the plan’s medical data. Access to pharmacy data should support your business decisions and care management activities to improve outcomes.

5. Is your PBM publicly traded or owned by a major drug company or chain?

If yes, ask how your PBM balances your interests as a client with the interests of its shareholders or owners. We believe it is hard to do both.

6. Does your PBM own the mail-order service? Are they using it in a cost-effective manner?

Many PBMs own their own mail-order pharmacies. This allows them to make suggestions for therapeutic switches to preferred drugs through its owned mail-order operation. By doing so, the PBM increase its overall rebate revenues. This is not always in the best interest of the client. QCP Rx does not own a mail-order pharmacy. Instead, we believe in focusing on mail order in the case of maintenance medications. Even though mail-order discounts are higher, mail order can be a more expensive option for the plan due to reduced copays, product waste from inappropriate use.

7. What is our specialty drug trend? How do you plan to control it?

Your PBM's strategy should include proactive programs to manage the outcomes and costs for members who require specialty drugs, which represents up to 40% of pharmacy costs for plans. QCP Rx, we are always looking for ways to control the rising costs associated with specialty drugs while looking for ways to assist members to receive their needed medications.

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It is important to note your PBM's performance relative to drug benefit cost trends. If the outcome is unacceptable, you should consider a different approach. Consider QCP Rx.