



• LIVE WEBINAR

Prescription for Clarity

Understanding What PBMs Really Do



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Poll #1:
**How familiar are you with the role
of PBMs in self-funded plans?**

Your Funding Options

Fully-Insured

- ✗ 100% Fixed Costs
- ✗ The insurance carrier keeps all the profits with zero reporting back to employers
- ✗ They designate the PBM
- ✗ PBMs make money from the manufacturer (e.g. rebates) which become profit for the PBM

Self-Funded

- ✓ ~40% Fixed Costs
- ✓ The employer pays medical claims and buys stop loss insurance to protect against high-cost claims.
- ✓ The ability to control every aspect of your plan and access claims data
- ✓ Transparent PBM shares rebates and information with you

What is a Pharmacy Benefit Manager?



- PBMs were created to help manage prescription benefits
 - PBMs negotiate with drug manufacturers and pharmacies to secure lower prices



Overtime, PBMs have become profit centers. Their contracts and rebate structures often hide true costs.

PBM Models: What Do They Mean?



Spread

The PBM Charges the plan more
and reimburses the Pharmacy

They then pocket the difference



A Pass-through

The PBM gives the costs and rebates
back to the plan sponsor

Charges an admin fee

PBMs In the News

A transparent PBM has never been more critical to a successful plan.

- **Lawsuits**
 - City of Cleveland sued their PBM
- **Senate Hearings**
 - Entrepreneurs like Mark Cuban are shining a light on this problem
- **TrumpRx**
 - Increases transparency and third-party markups

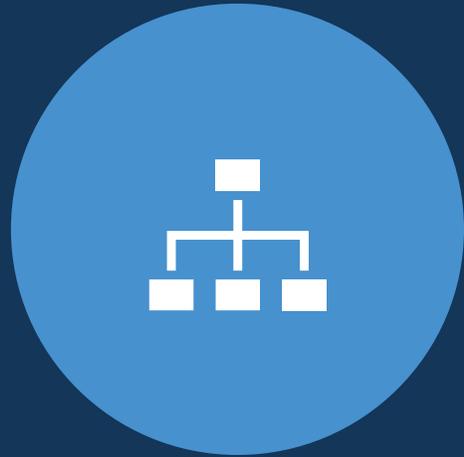


The Role of PBMs Continues to Evolve

Aligned Incentives, Better Outcomes



Total Transparency



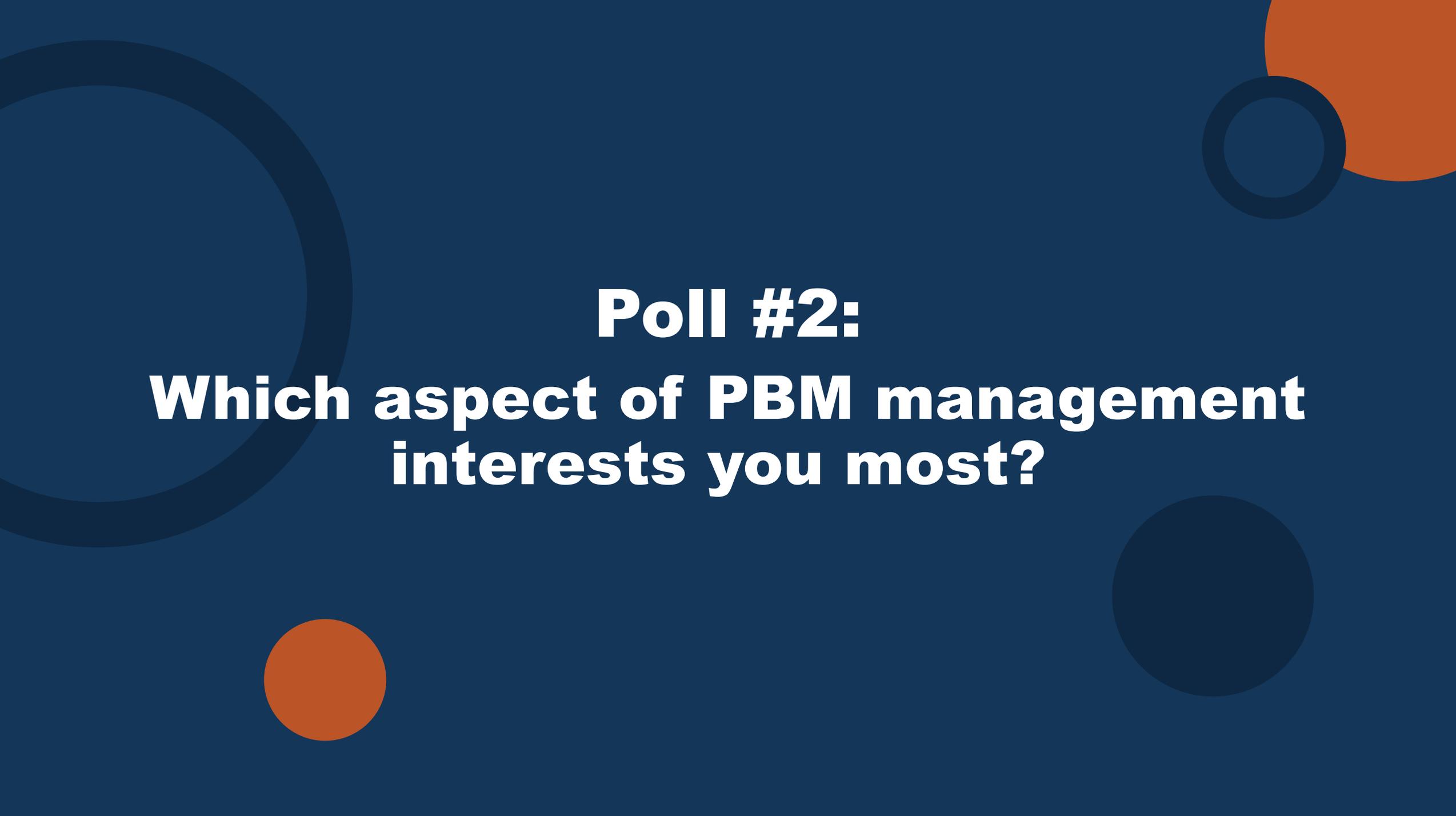
**You Choose Your
Partners**



**Cost
Containment**



Distributions



Poll #2:
**Which aspect of PBM management
interests you most?**

How Rebates and Cost-Savings Tools Can Help (or Hurt)

Not all rebates are good.

Data-driven Insights



Data analytics and proactive plan management can turn those rebates into true savings.



We use claims data across the captive to identify trends, analyze pricing, and help our partners adjust before costs spiral.

Case Study

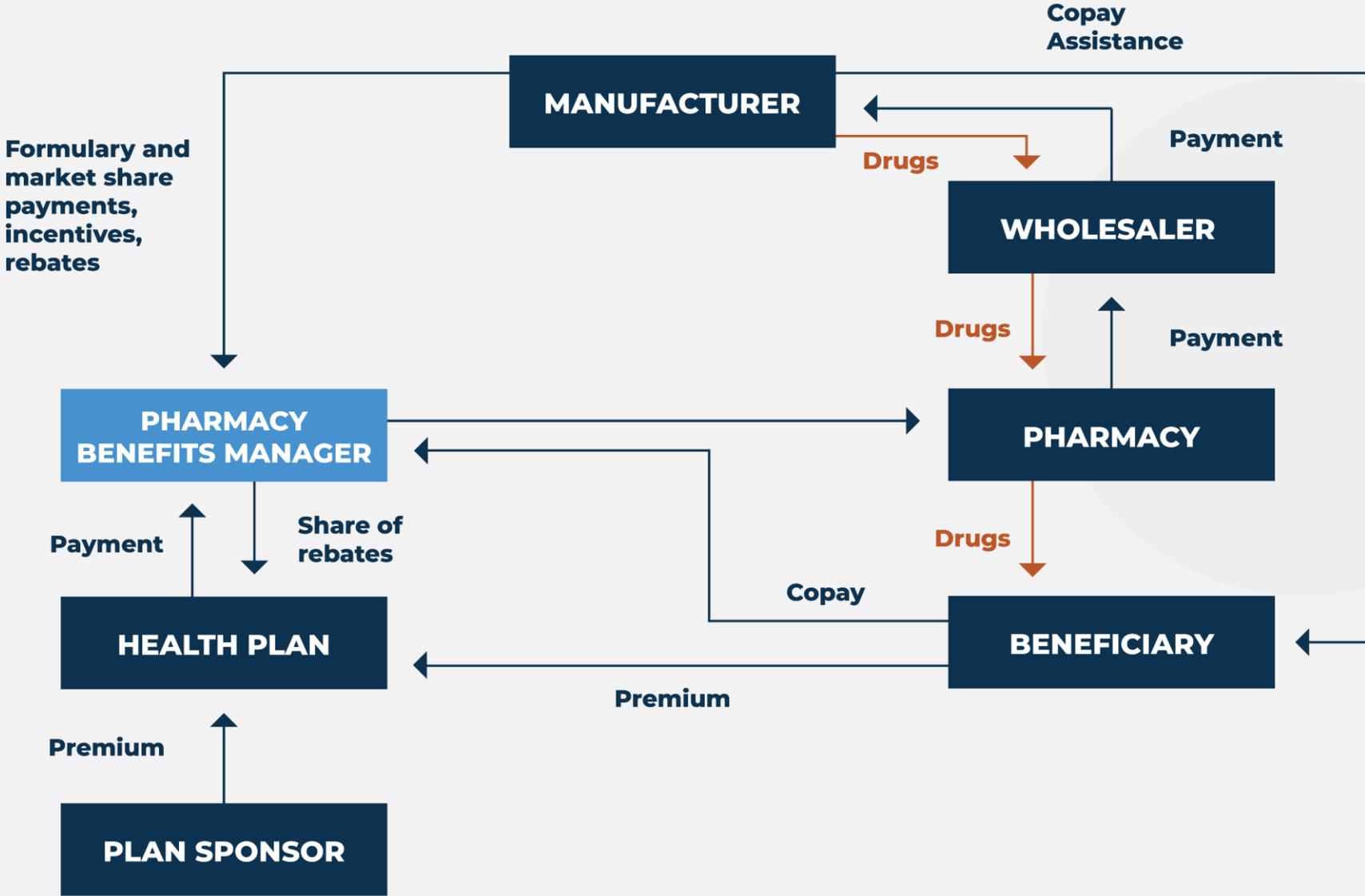


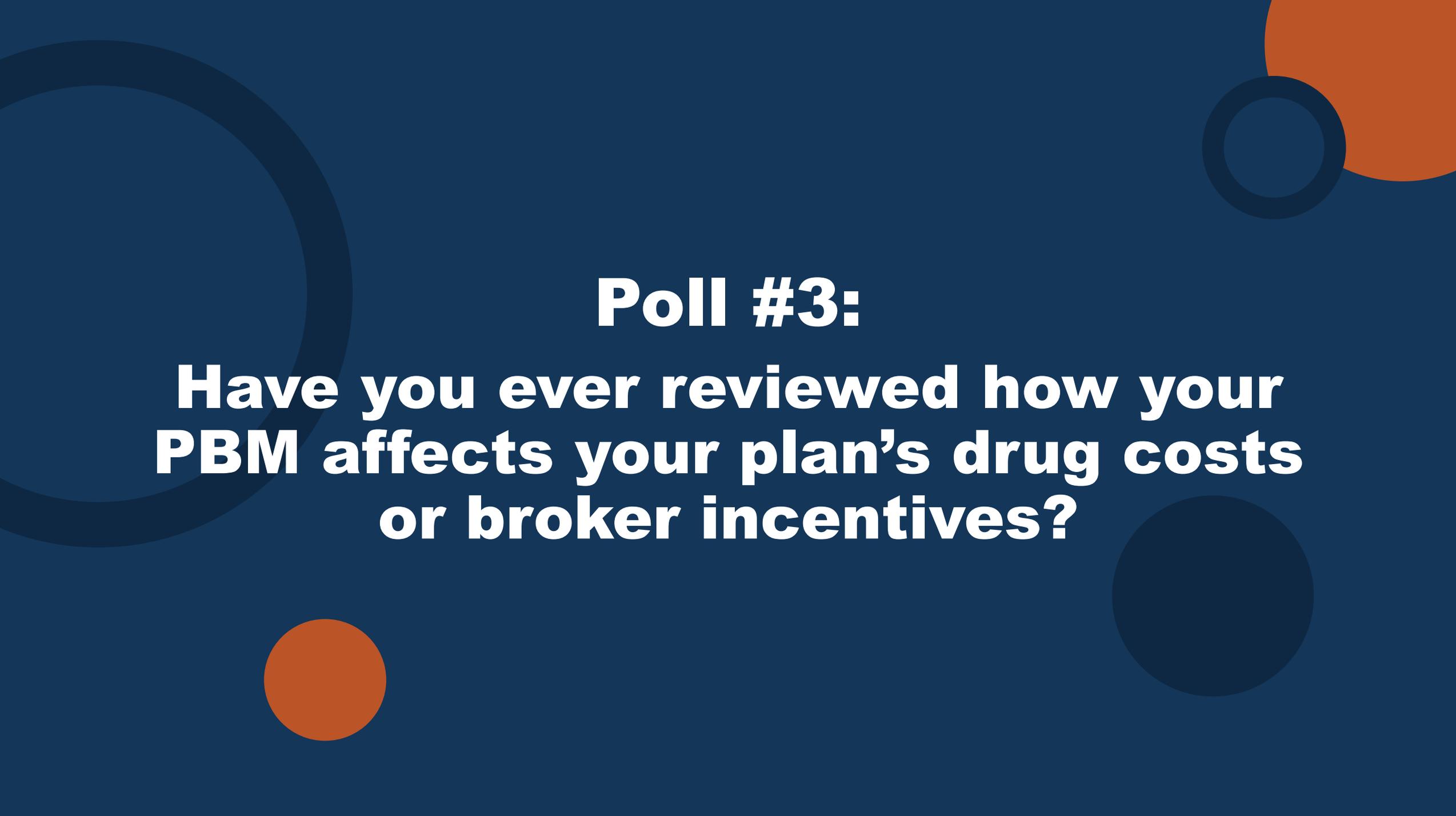
The group received **\$84,000 in credits**



They would have gotten **\$242,000 in rebates**

The PBM Money Flow





Poll #3:

Have you ever reviewed how your PBM affects your plan's drug costs or broker incentives?

The background is a dark blue gradient. It features several abstract shapes: a large light blue circle at the top center, a smaller orange circle to its right, and a thick dark blue arc on the right side. The text 'Q&A' is positioned in the lower-left area.

Q&A

Listen To Our Latest Episode of *Healthcare Forward*

Beyond the Middleman: What to Look For in a PBM that Works

Host Mike Schroeder and guest Daniel Demyan dig into the traits of an effective PBM—transparent contracts, real-time data, clinical programs, and alignment with employer goals.

