



• LIVE WEBINAR

No More Guessing: How to Pick the Right Pharmacy Benefit Manager



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PBM Models Explained: How They're Built

Traditional / Spread-Based PBMs

- How spread pricing works
- Pros: simplicity, scale
- Cons: misaligned incentives, limited transparency

Pass-Through PBMs

- Transparent pricing and rebate flow
- What “pass-through” does — and does not — guarantee

Transparent / Fiduciary-Oriented PBMs

- Fee-based models
- Contractual transparency and auditability

**Roundstone works
with about 50
different PBMs.**

- ✓ Bywater integrated PBMs
- ✓ Can use any PBM that is approved by their TPA
- ✓ CSI Dashboard Integration

Carve-in vs. Carve-out considerations:
Why no model is “perfect” — and why incentives matter more than marketing claims

How to Compare PBMs: **Data & Reporting**

Data Handling & Claims Submission

- Can the PBM submit claims in a format acceptable to your stop-loss carrier or reinsurer?
- Are they timely and accurate in claims reporting?
- Can they integrate with your partners seamlessly?

Transparency & Reporting

- Do they provide clear reporting to help make a plan manageable?
- Are you getting regular, real-time access to data?
- Do you see breakdowns by cost, category, provider, condition, and or member-level trends?

How to Compare PBMs: **Criteria & Reputation**

Areas where the PBM should have strengths in



Understanding how a PBM is structured, and who their interests are aligned with are critical to uncovering bias and conflicts of interest.

Reputation & Experience



Who do they work with today?



Do they have clients similar to you or your employer client? (Industry, Size, Complexity)

How to Compare PBMs: **Service & Structure**



Business model – How do they make money?
Is it Admin fees only? Pass through fees?



Are they incentivized to control costs or pass through fees?



Pricing methodology (spread vs. pass-through)



Rebate ownership and timing



Network-mandated PBM access



Clinical programs: real value vs. window dressing



Reporting depth and data access

Common Traps to Avoid



Focusing on discounts instead of net cost



Overvaluing national logos



Assuming “bigger = better”



Poll #1:
**What's your top
priority in a PBM?**

Roundstone's PBM Scorecard: How We Evaluate And Rank PBMs

Core scorecard categories:

- ✓ Net cost
- ✓ Cost containment program availability
- ✓ 100% pass through rebates?
- ✓ Admin fee structure
- ✓ Partnership support

Roundstone itself
also uses a
scorecard
approach.

We use data
to look at the full
cost picture on a
PEPM level.



Poll #2:
**Have you ever formally
reviewed your PBM's
performance?**

Real-World Impact: Good v. Poor PBM Choices

Examples of poor PBM decisions

- Provide "rebate credits" in set dollar amounts per employee per month
- Can't participate in an overlay program
- The PBM and the TPA aren't aligned

Outcomes of well-aligned PBM partnerships

- + Provides actual rebates earned by the group
- + Can participate in an overlay program
- + A PBM who is collaborative with your TPA partner

Your PBM decisions compound over time — for better or worse.

Advisor Role in the PBM Process

The role of your advisor is not just to simplify decisions; it's to make complexity manageable without hiding the details.

- 1** Educate employers on models and incentive structures
- 2** Translate contracts and guarantees into plain language
- 3** Run true comparative analyses across PBM options
- 4** Ensure transparency and ongoing accountability

Sometimes, this process can break down for a variety of reasons:

- Defaulting to preferred PBM's without benchmarking
- Relying on others PBM Provided comparisons



Poll #3:

**Are you planning to switch
or evaluate your PBM in
the next 12 months?**

What's Coming in Webinar 3?

Advanced PBM Strategies

April 23, 2026 @ 2:00 PM EST



Learn how Roundstone's PBM partners, with the right TPA, achieve industry leading Per Employee Per Year (PEPY) savings for mid-sized businesses.



Why independence matters and how it avoids hidden conflicts.



The operational and cultural differences that make our chosen PBM partners best-in-class.



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