

## CASE STUDY

# Health Plan Pharmacy Cost Controls

## Employee Benefits



### The Request

Drive cost savings to the health plan through a Pharmacy Benefit Management vendor evaluation

### Company Profile

Industry: Commercial and Medicare Lines

Covered Lives: 180,000+

### Request

A regional health plan in the Northeast region of the United States, with over 180,000 covered lives across Commercial and Medicare lines of business, had not competitively marketed its Pharmacy Benefit Management (PBM) vendor in many years. The health plan wanted to determine if they were partnered with a PBM vendor that could meet their needs and if their agreement offered the most aggressive financial pricing for their member's drug purchasing.



## The Solution

Brown & Brown provided a market check with financial benchmarking, leading to a longer-term Request for Proposal (RFP) and PBM strategy

## Solution

Brown & Brown performed an initial market check of the PBM agreement in place. This provided financial benchmarking across all financial areas of the contract, along with a negotiation for a contract extension that allowed time to perform a full Request for Proposal (RFP) process.

Brown & Brown focused on strategic and financial aspects of the PBM relationship to help ensure the vendor partner complements the health plan's overall strategy and provides a market-leading financial arrangement and program offering.

## Results

The results of these exercises included the following:

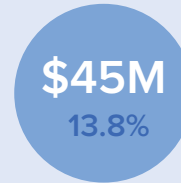


## The Results

The analysis provided almost 20% in overall savings and determined a suitable PBM



pharmacy savings over the one-year market check term



pharmacy savings over the three-year RFP term

The RFP did not result in a vendor change, so the results were achieved without disruption to the business or need for an implementation process.



## How Brown & Brown Can Help

Connect with our Brown & Brown team to learn about our knowledge in your industry, how we build our risk mitigation strategies and how we can aid your business in building a cost-saving employee benefits program.



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