



# Pharmacy Benefit Management

Hidden Excess

# 3 Key Objectives

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- **Optimizing Contract Language**
- **PBM Profit Games**
- **Why the Spreadsheet Doesn't Matter**

# Misaligned Incentives

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## Manufacturer

*Increase prices at their discretion*

**Higher drug costs = Higher profits**



## Wholesaler

*Paid as a percent of drug costs*

**Higher drug costs = Higher profits**



## PBM

*In control of formulary, contract language, manufacturer revenue*

**Higher drug costs = Higher profits**



## Employers & Public Purchasers

*Lack of control*

**Higher drug costs = Lower profits**



# Vertical and Horizontal Integration

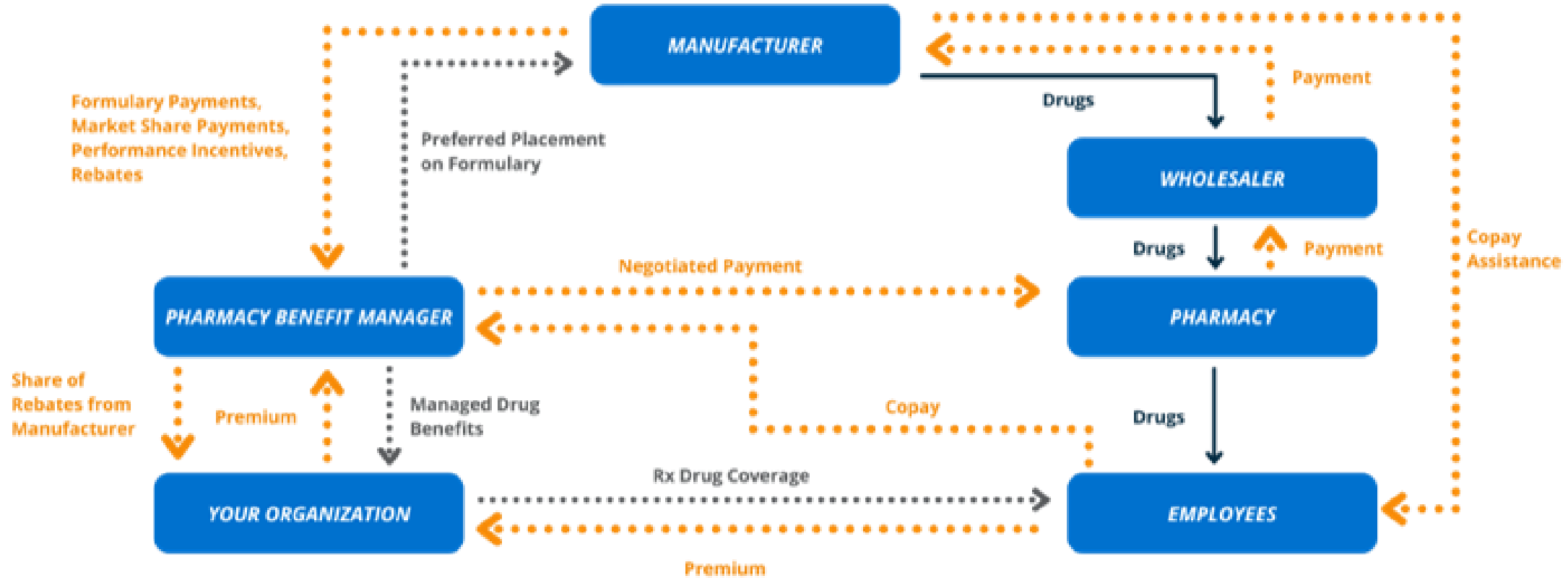


**AffirmedRx**

Industry consolidation leads to diminishing transparency and high cost of care.

1. Since 2021, Prime's Blue Cross and Blue Shield plans have had the option to use Express Scripts or AllianceRx Walgreens Pharmacy for mail/specialty pharmacy services. In Dec. 2021, Walgreens purchased Prime Therapeutics' 45% ownership interest, so this business had no PBM ownership as of 2022. Effective June 2022, the company was rebranded as AllianceRx Walgreens Pharmacy.  
 2. Centene has announced that it would outsource its PBM operations to Express Scripts in 2024. In 2023, Centene rebranded its pharmacy benefit subsidiary as Centene Pharmacy Services.  
 3. In 2021, Centene sold a majority stake in its U.S. Medical Management to a group of private equity firms.  
 4. Since 2020, Prime has sourced formulary rebates via Ascent Health Services. In 2021, Humana began sourcing formulary rebates via Ascent Health Services for its commercial plans.  
 5. Previously known as Evernorth Care Group and Cigna Medical Group.  
 6. In 2021, Cigna's Evernorth business acquired MDLIVE.  
 7. In 2022, Cigna invested \$2.7 billion for an estimated 14% ownership stake in VillageMD. Walgreens owns a majority of VillageMD.  
 8. In September 2022, CVS Health announced its acquisition of Signify Health. In February 2023, CVS announced its acquisition of Oak Street Health. Both transactions closed in 2023.  
 9. Previously known as IngenioRx.  
 10. In 2021, Partners in Primary Care and Family Physicians Group businesses were rebranded as CenterWell Senior Primary Care.  
 11. In 2022, Kindred at Home was rebranded as CenterWell Home Health. In 2022, Humana announced an agreement to divest its majority interest in Kindred at Home's Hospice and Personal Care Divisions to Clayton, Dubilier & Rice. Humana also announced plans to close a majority of its SeniorBridge home care locations.  
 Source: *The 2023 Economic Report on U.S. Pharmacies and Pharmacy Benefit Managers*, Exhibit 234. Companies are listed alphabetically by corporate name.

# Flow of Funds in the Pharmaceutical Industry

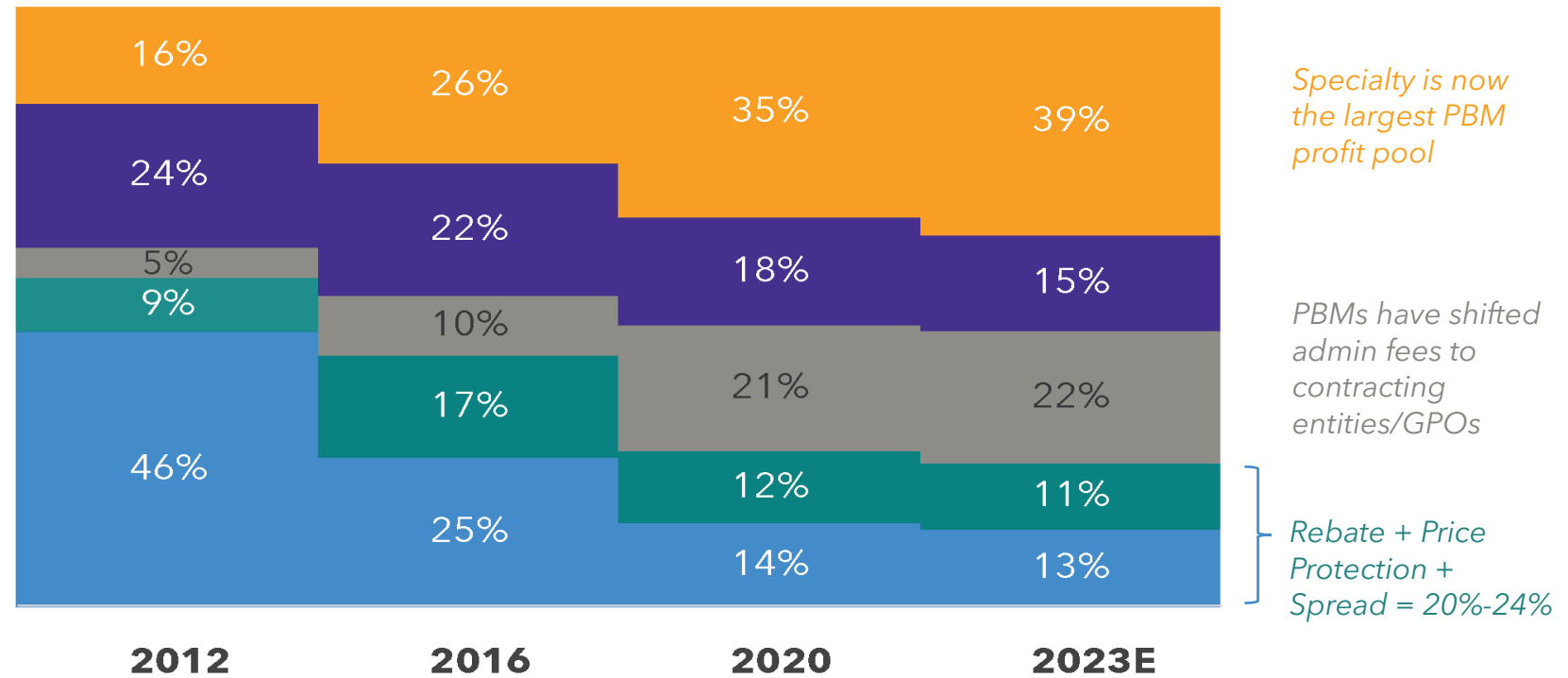


→ Flow of Funds  
→ Flow of Rx Drugs  
→ Services

# PBM Profitability – Why Rebates Don't Matter



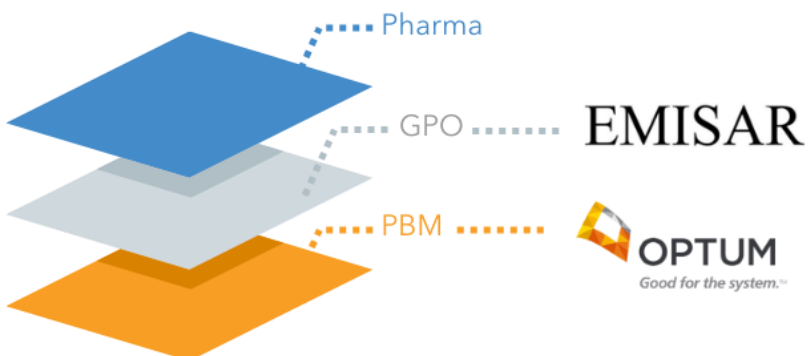
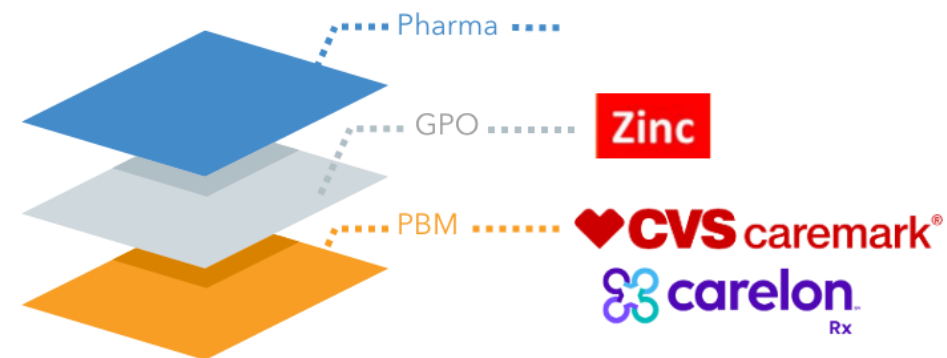
'Peak Rebate' → 'Peak Spread' → 'Peak Admin Fee' → 'Peak GPO Fee' → 'Peak SP'



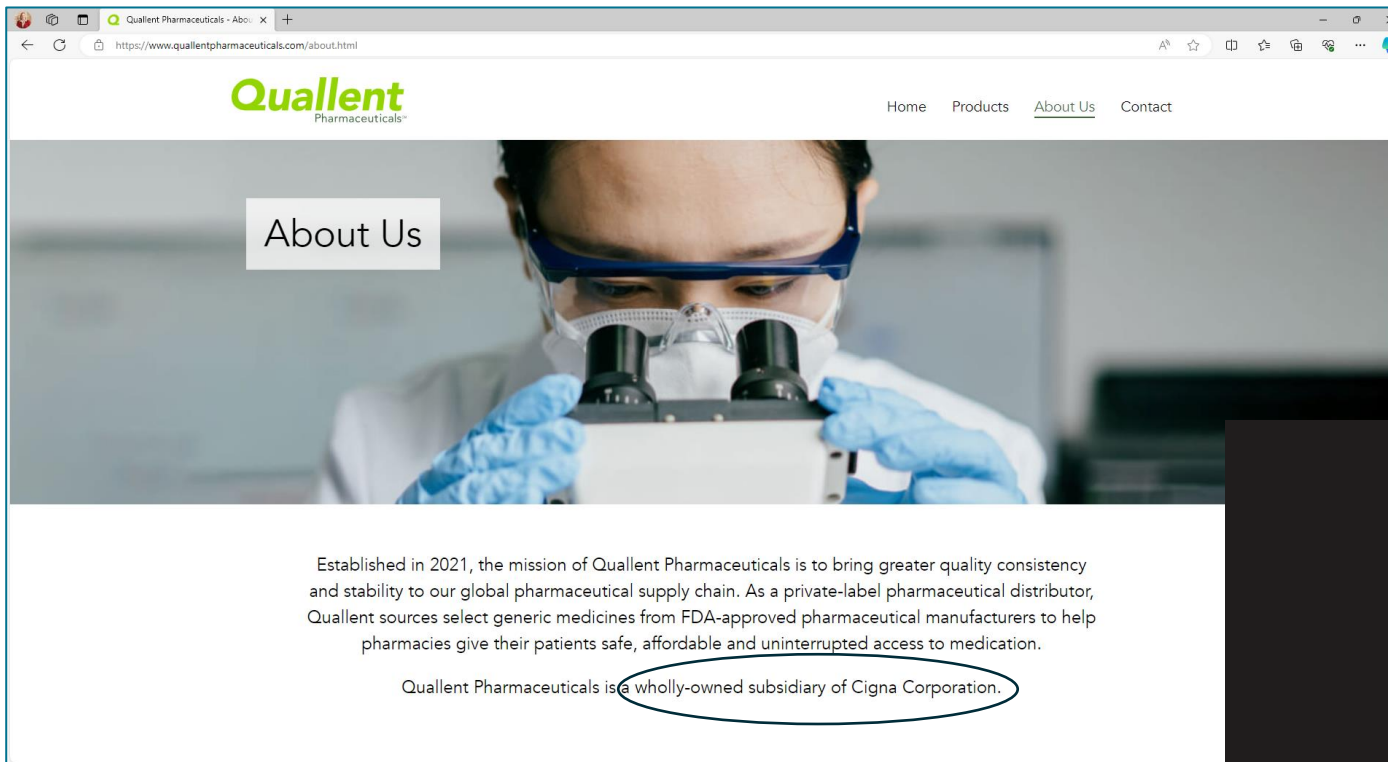
■ Rebates & Price Protection ■ Spread ■ Fees & GPO ■ Mail Pharmacy ■ Specialty Pharmacy

PBM profits have shifted from rebates and spread to fees and fulfillment

# Industry – Adding Middle Layers



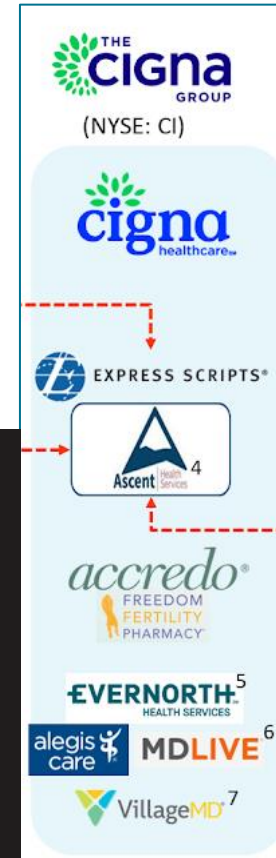
# Quallent Pharmaceuticals



The screenshot shows the Quallent Pharmaceuticals website. The header includes the Quallent logo and navigation links for Home, Products, About Us, and Contact. The main content area features a large image of a scientist in a lab coat and safety goggles looking through a microscope. Below the image, the text reads: "Established in 2021, the mission of Quallent Pharmaceuticals is to bring greater quality consistency and stability to our global pharmaceutical supply chain. As a private-label pharmaceutical distributor, Quallent sources select generic medicines from FDA-approved pharmaceutical manufacturers to help pharmacies give their patients safe, affordable and uninterrupted access to medication." A callout box highlights the sentence: "Quallent Pharmaceuticals is a wholly-owned subsidiary of Cigna Corporation."

**Quallent**  
Pharmaceuticals<sup>®</sup>

20 Genesis Close  
George Town  
Grand Cayman  
KY1-1208  
Cayman Islands





# Brand/Generic Language

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“Brand/Generic Algorithm” or “BGA” means the standard and proprietary brand/generic algorithm, a copy of which may be made available for review by Sponsor or its Auditor upon request. The purposes of the algorithm are to stabilize products “flipping” between brand and generic status and to reduce Sponsor, Member and provider confusion due to fluctuations in brand/generic status. Sponsor or its Auditor may audit PBM’s application of its BGA to confirm that PBM is making brand and generic drug determinations consistent with such algorithm.

“Brand Drug” means a prescription drug identified as such in PBM’s master drug file using indicators from First Databank (or other source nationally recognized in the prescription drug industry) on the basis of a standard Brand/Generic Algorithm, a copy of which may be made available for review by Sponsor or its Auditor upon request.

3.8 **BRAND NAME DRUG:** A drug that has a trade name and may only be produced and sold by the pharmaceutical company holding the patent or a pharmaceutical company that has been licensed and authorized by the patent holder to produce and sell the drug.

3.20 **GENERIC DRUG:** A drug that is identical to a brand-name drug in dosage, strength, safety, how it is taken, quality, performance, and the intended use.

# Correct Brand Language

**Brand drug.** The term brand drug shall mean the following: The multisource code field in Medi-Span contains an "M" (single source product co-licensed), "N" (single source product one labeler) field, or "O" (multisource original product) with a branded code "T" (trademark name). If the multisource code is a "O" and there is a DAW code 3, 4, 5, 6, or 9 or the Medi-Span branded code is a "B" (branded generic name) or "G" (generic name) the drug shall be considered a generic drug. The parties agree that when a drug is identified as a branded drug, it shall be considered a brand drug for all purposes under this agreement.

Drug Type	NEW SDG#	Medispan Multi-source Code	Medispan Brand Name Code	Medispan Rx-OTC Indicator Code
OTC		0 %	%	O or P
TRADEMARKED GENERIC		1 Y	T	R or S
SINGLE SOURCE BRAND		2 N OR M	T	R or S
MULTISOURCE GENERIC		3 O OR Y	B OR G	R or S
NON-DRUG RX		5 %	%	R or S
SINGLE SOURCE GENERIC		4 N OR M	B OR G	R or S
MULTISOURCE BRAND - ORIGINAL		6 O	T	R or S
<b>MULTI-SOURCE CODE</b>				
N = SINGLE SOURCE PRODUCT ONE LABELER				
M = SINGLE SOURCE PRODUCT CO-LICENSED MULTIPLE LABELERS				
O = MULTISOURCE ORIGINAL PRODUCT				
Y = MULTISOURCE PRODUCT MULTIPLE LABELERS				
<b>BRAND NAME CODE</b>				
T = TRADEMARKED NAME				
B = BRANDED GENERIC NAME				
G = GENERIC NAME				

# Correct Generic Language

**Generic drug.** The term generic drug shall mean the following: The multisource code field in Medi-Span contains a "Y" (multisource product multiple labelers). An item shall also be considered generic if the multisource code is a "O" and there is a DAW code 3, 4, 5, 6, or 9 or the Medi-Span branded code is a "B" (branded generic name) or "G" (generic name). The parties agree that when a drug is identified as a generic drug, it shall be considered a generic for all purposes under this agreement. However, parties also agree that if the PBM is provided any rebates or other financial benefits for any drug characterized under this agreement as a generic drug, the PBM shall be obligated to pass through all such rebates and financial benefits to client.

Code	Code value
0	No Product Selection Indicated (may also have missing values)
1	Substitution Not Allowed by Prescriber
2	Substitution Allowed - Patient Requested That Brand Product Be Dispensed
3	Substitution Allowed - Pharmacist Selected Product Dispensed
4	Substitution Allowed - Generic Drug Not in Stock
5	Substitution Allowed - Brand Drug Dispensed as Generic
6	Override
7	Substitution Not Allowed - Brand Drug Mandated by Law
8	Substitution Allowed - Generic Drug Not Available in Marketplace
9	Other

# Rebate Exclusions

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## **Manufacturer Programs Formulary Rebates, Associated Administration Fees, and PBM Service Fees –**

(PBM) contracts for its own account to obtain formulary rebates attributable to the utilization of certain brand drugs and supplies (and possibly certain authorized generics marketed under a brand manufacturer's new drug application). Formulary rebate amounts received vary based on client specific utilization, the volume of utilization as well as formulary position applicable to the drug or supplies, and adherence to various formulary management controls, benefit design requirements, claims volume, and other similar factors, and in certain instances also may vary based on the product's market-share. (PBM) often pays an amount equal to all or a portion of the formulary rebates it receives to a client based on the client's PBM agreement terms. (PBM) or its affiliates may maintain non-client specific aggregate guarantees and may realize positive margin. In addition, ESI provides administrative services to contracted manufacturers, which include, for example, maintenance and operation of systems and other infrastructure necessary for invoicing and processing rebates, pharmacy discount programs, access to drug utilization data, as allowed by law, for purposes of verifying and evaluating applicable payments, and for other purposes related to the manufacturer's products. (PBM) receives administrative fees from the participating manufacturers for these services. These administrative fees are calculated based on the price of the drug or supplies along with the volume of utilization and do not exceed the great of (I) 4.58% of the average wholesale price, or (II) 5.5% of the wholesale acquisition cost of the products. In its capacity as a PBM company, (PBM) also may receive other compensation from manufacturers for the performance of various programs or services, including, for example, formulary compliance initiatives, clinical services, therapy management services, education services, inflation protection programs, medical benefit management services, cost containment programs, discount programs, and the sale of non-patient identifiable claim information. This compensation is not part of the formulary rebates or associated administrative fees, and (PBM) may realize positive margin between amounts paid to clients and amounts received from pharmaceutical manufacturers. (PBM) retains the financial benefit of the use of any funds held until payment is made to the client.



# Rebate Amounts



Formulary:	Basic Formulary	
	Participating Pharmacies	ESI Mail Pharmacy
Per Brand Drug Claim (non-Specialty Products)	Year 1: \$148.00 Year 2: \$168.00 Year 3: \$190.00	Year 1: \$444.00 Year 2: \$504.00 Year 3: \$570.00

Formulary:	Basic Formulary	
	Participating Pharmacies	PBM Specialty Pharmacy
Per Brand Drug Claim (Specialty Products)	\$100.00	Year 1: \$800.00 Year 2: \$900.00 Year 3: \$1,000.00



# Specialty Drug List/LDD Matters



## Specialty Drug List

Unless otherwise noted, all brand and generic formulations of a product are considered specialty.

**Green** = Drugs distributed exclusively by Accredo.

**Red** = Drugs distributed by Accredo as part of a limited distribution network.

**Blue** = Drugs that are designated specialty but not dispensed by Accredo.

<p><b>INFLAMMATORY CONDITIONS</b></p> <p>Actemra<sup>®</sup> Arcalyst<sup>®</sup> Benlysta<sup>®</sup> Cimzia<sup>®</sup> Cosentyx<sup>™</sup> Entrevi<sup>®</sup> Entyvio<sup>™</sup> Humira<sup>®</sup> Humira<sup>®</sup> (Pediatric) Ilaris<sup>®</sup> Ilumya<sup>™</sup> Inflectra<sup>™</sup> Kevzara<sup>®</sup> Kinostat<sup>®</sup> Olaniant<sup>®</sup> Orencia<sup>®</sup> Otezla<sup>®</sup> Remicade<sup>®</sup> Renflexis<sup>™</sup> Sileq<sup>™</sup> Simpson<sup>™</sup> Simpson Aza<sup>®</sup> Sprelve<sup>®</sup> <b>Taltz<sup>®</sup></b> Taltz<sup>®</sup> Xeljanz<sup>®</sup> Xeljanz XR<sup>®</sup></p> <p><b>IRON TOXICITY</b></p> <p>Exjade<sup>®</sup> Ferroprosa<sup>®</sup> Jademc<sup>™</sup></p>	<p>Qutenza<sup>®</sup> Sabril<sup>®</sup> (vigabatrin) Simurva<sup>™</sup> Sprix<sup>®</sup> Sofris<sup>®</sup> Sublocade<sup>™</sup> Tegsedi<sup>™</sup> Thiola<sup>®</sup> Ultamir<sup>™</sup> Varithena<sup>®</sup> Vigadrone<sup>™</sup> Vivtroi<sup>®</sup> Xenazine<sup>®</sup> (tetraabenazine) Xeomin<sup>®</sup> Xifaxan<sup>®</sup> Xuriden<sup>™</sup> Zecuity<sup>®</sup></p> <p><b>MULTIPLE SCLEROSIS</b></p> <p>Ampyra<sup>®</sup> (dalfampridine) Aubagio<sup>®</sup> Avonex<sup>®</sup> Betasero<sup>®</sup> Copaxone<sup>®</sup> (Glatopa<sup>®</sup>, glatiramer) Extavia<sup>®</sup> Gilenya<sup>®</sup> Lemtrada<sup>®</sup> mitoxantrone<sup>®</sup> Ocrevus<sup>®</sup> Pegridy<sup>®</sup> Rubi<sup>™</sup> Tactheora<sup>®</sup> Tysabri<sup>®</sup></p> <p><b>MUSCULAR</b></p>	<p>Zibretta<sup>™</sup></p> <p><b>OSTEOPOROSIS</b></p> <p>Forteo<sup>®</sup> Prolia<sup>™</sup> Tymlos<sup>™</sup></p> <p><b>PULMONARY HYPERTENSION</b></p> <p>Adcirca<sup>®</sup> (tadalafil) Adempas<sup>®</sup> Flolan<sup>®</sup> (epoprostenol) Flolan Diluent<sup>®</sup> (epoprostenol diluent) Letairis<sup>®</sup> Opsumit<sup>®</sup> Orenitram<sup>™</sup> Remodulin<sup>®</sup> Revatio<sup>®</sup> (sildenafil citrate) Tracleer<sup>®</sup> Tyvaso<sup>®</sup> Uptravi<sup>®</sup> Veletri<sup>®</sup> Ventavis<sup>®</sup></p> <p><b>RESPIRATORY SYNCYTIAL VIRUS</b></p> <p>Synagis<sup>®</sup></p> <p><b>TRANSPLANT</b></p> <p>Ruxpi<sup>®</sup></p>
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# Biosimilar – Sometimes They Count...

## 1.3. EXCLUSIONS

Member Submitted Claims, Subrogation Claims, coordination of benefits claims, biosimilar products, vaccines, OTC products, U&C, claims older than 180 days, claims through Sponsor-owned, in-house or on-site pharmacies, Specialty Products, 340b pharmacies, and claims pursuant to a 100% Member Copayment plan are not eligible for the guaranteed Rebate amounts set forth in Section 1.1 above.

## 2. SPECIALTY REBATE AMOUNTS

Rebates

Discounts

“Specialty Products” means those injectable and non-injectable drugs on the Specialty Product List. Specialty Products, which may be administered by any route of administration, are typically used to treat chronic or complex conditions, and typically have one or more of several key characteristics, including frequent dosing adjustments and intensive clinical monitoring to decrease the potential for drug toxicity and increase the probability for beneficial treatment outcomes; patient training and compliance assistance to facilitate therapeutic goals; limited or exclusive product availability and distribution (if a drug is only available through limited specialty pharmacy distribution it is always considered a Specialty Product); specialized product handling and/or administration requirements. In addition, a biosimilar or generic product will be considered a Specialty Drug if the innovator drug is a Specialty Drug.

# Biosimilar – Amjevita example...

## Patients pay more for medicines with high rebates

An illustrative example using Humira® and the dual pricing for Amjevita® biosimilars

	<b>Humira®</b>	<b>Amjevita®</b>	
	<b>45% Rebate No Discount</b>	<b>40% Rebate 5% Discount</b>	<b>No Rebate 55% Discount</b>
List price (WAC)	\$5,657	\$5,374	\$2,546
Manufacturer rebate	- \$2,546	- \$2,150	- \$0
Health plan pays	- \$1,697	- \$1,881	- \$1,909
<b>Patient pays</b>	<b>\$1,414</b>	<b>\$1,344</b>	<b>\$636</b>

IQVIA SMART WAC Pricing information for Humira as of March 2023, with corresponding adjustments made to the pricing for Amjevita products.





# Discounts/Rebates?



## Specialty Pharmacy Guarantees - Exclusive

	Discount	Dispensing Fee
Year 4	AWP-19.00%	\$0.00 PNPC

## Rebate Management Guarantees – Select Base Formulary

100% Pass-Through	Retail Pharmacy	Retail 90 Pharmacy	Mail Service	Specialty
Year 4	\$110.00 PNPB	\$160.00 PNPB	\$415.00 PNPB	\$1,360.00 PNPB

PNPB = Per Net Paid Brand

## Specialty Pharmacy Guarantees - Open

	Discount	Dispensing Fee
Year 3	AWP-16.00%	\$2.50 PNPC
Year 4	AWP-16.10%	\$2.50 PNPC

## Rebate Management Guarantees – OptumRx Silver Formulary

100% Pass-Through	Retail Pharmacy	Retail 90 Pharmacy	Mail Service	Specialty
Year 3	\$118.00 PNPB	\$385.00 PNPB	\$455.00 PNPB	\$1,575.00 PNPB
Year 4	\$120.00 PNPB	\$400.00 PNPB	\$475.00 PNPB	\$1,650.00 PNPB

PNPB = Per Net Paid Brand

\$7,500 drug  
 19% discount = \$6,075  
 \$1,360 specialty rebate  
**Total cost = \$4,715**

\$7,500 drug  
 16% discount = \$6,300  
 \$1,575 specialty rebate  
**Total cost = \$4,725**

# Specialty Pricing

63629502902	SILDENAFIL CITRATE	PULMONARY ARTERIAL HYPERTENSION	40.0%
54868478200	ENBREL	AUTOIMMUNE INFLAMMATORY DISORDERS	11.5%
00074433902	HUMIRA PEN	AUTOIMMUNE INFLAMMATORY DISORDERS	13.5%
59572063255	OTEZLA	AUTOIMMUNE INFLAMMATORY DISORDERS	12.0%
60429007001	MYCOPHENOLATE MOFETIL	TRANSPLANT	52.0%
00004110020	XELODA	ONCOLOGY- ORAL	15.5%
59572040530	REVLIMID	ONCOLOGY- ORAL	15.5%

- **Humira**

- \$9,400 AWP
  - 19.1% Discount = \$7,604
  - 16.1% Discount = \$7,887
- **Net of Rebate**
  - \$7,604 - \$1,360 = \$6,244
  - \$7,887 - \$1,650 = \$6,237

Note – Abbvie paying about a 40% manufacturer revenue

- $\$9,400 \times .40 = \$3,760$
- Optum buying at specialty for 22% discount - \$7,332
- Optum total price
  - $\$7,332 - \$3,760 = \$3,572$  or about \$2,665 in profit

# Pass-Through Pricing



**Pass-Through Pricing** means that the Contractor must pass-through to the Plan Sponsor all financial benefits (including, but not limited to: 100% pass-through of all Rebates, discounts, and associated fees and revenue streams) obtained from all pharmacies, pharmaceutical manufacturers, wholesalers, and other sources. Additionally, the Contractor must not charge the Plan Sponsor more than the amount paid to the Participating Pharmacy (without markup). The only fee or revenue the Contractor may derive under this Contract is the agreed upon Administrative Fee.

- Anytime the word “rebate” is included that is good for the PBM & bad for you
- Without markup – good only when the PBM does not own the specialty pharmacy

# Why specialty matters: Tadalafil

Pharmacy Name	Drug NDC	Drug Name and Strength	Total Quantity	Total Drug Cost
PBM OWNED PHARMACY	65862088060	TADALAFIL TAB 20MG	60	\$3,856.34
PBM OWNED PHARMACY	65862088060	TADALAFIL TAB 20MG	60	\$3,856.34
PBM OWNED PHARMACY	65862088060	TADALAFIL TAB 20MG	60	\$3,856.34
PBM OWNED PHARMACY	65862088060	TADALAFIL TAB 20MG	60	\$3,856.34
PBM OWNED PHARMACY	65862088060	TADALAFIL TAB 20MG	60	\$3,856.34
PBM OWNED PHARMACY	65862088060	TADALAFIL TAB 20MG	60	\$3,856.34
PBM OWNED PHARMACY	65862088060	TADALAFIL TAB 20MG	60	\$3,856.34
PBM OWNED PHARMACY	65862088060	TADALAFIL TAB 20MG	60	\$3,856.34
PBM OWNED PHARMACY	65862088060	TADALAFIL TAB 20MG	60	\$3,856.34
PBM OWNED PHARMACY	65862088060	TADALAFIL TAB 20MG	60	\$3,856.34

Note: The price the PBM chose to pay itself and then bill that cost to the plan sponsor

Pharmacy Name	Drug NDC	Drug Name and Strength	Total Quantity	Total Drug Cost
NON-PBM OWNED PHARMACY	65862088060	TADALAFIL TAB 20MG	60	\$223.53
NON-PBM OWNED PHARMACY	65862088060	TADALAFIL TAB 20MG	60	\$190.17
NON-PBM OWNED PHARMACY	65862088060	TADALAFIL TAB 20MG	60	\$190.17
NON-PBM OWNED PHARMACY	65862088060	TADALAFIL TAB 20MG	60	\$190.17
NON-PBM OWNED PHARMACY	65862088060	TADALAFIL TAB 20MG	60	\$190.17
NON-PBM OWNED PHARMACY	65862088060	TADALAFIL TAB 20MG	60	\$189.47
NON-PBM OWNED PHARMACY	65862088060	TADALAFIL TAB 20MG	60	\$189.47
NON-PBM OWNED PHARMACY	65862088060	TADALAFIL TAB 20MG	60	\$183.76
NON-PBM OWNED PHARMACY	65862088060	TADALAFIL TAB 20MG	60	\$182.35
NON-PBM OWNED PHARMACY	65862088060	TADALAFIL TAB 20MG	60	\$181.36

Note: The price the PBM chose to pay everyone else

We've always seen the red flags, now you can too.



These organizations like to tout the benefit of vertical integration - we do not see care improving, but we do see costs increasing every year.



# Market Check



- 4. MARKET CHECK.** Following the initial 18 months of this Agreement (but not before), Sponsor or its designee may provide PBM with a written comparison, prepared by an independent pharmacy benefit management consultant, for pharmacy benefit management services offered by a third party PBM provider which includes and takes into account similar plan design, Formulary, clinical and trend programs, retail pharmacy, mail pharmacy, and specialty pharmacy mix and utilization, demographics and other relevant factors necessary to provide an appropriate comparison (“Sponsor’s Current Market Price”). Sponsor’s Current Market Price will be measured on the basis of a total, aggregate comparison of the pricing terms offered by a single vendor to a single plan, and not on the basis of individual or best price points available from multiple vendors to a single plan or a single vendor to multiple plans. A copy Sponsor’s Current Market Price analysis prepared by the consultant will be submitted to both Sponsor and to PBM. The consultant will also provide a reasonably detailed description of the methods and assumptions used in the analysis including the methods and assumptions related to the calculation of the individual pricing components and the Net Plan Costs, as defined below. PBM shall have a reasonable opportunity (i.e., not less than fifteen (15) business days) to evaluate Sponsor’s Current Market Price. If the comparison analysis concludes that Sponsor’s Current Market Price would yield an annual three percent (3.0%) or more savings of “Net Plan Costs” (with Net Plan Costs defined as the sum of the cost of Covered Drugs, dispensing fees, and claims Administrative Fees, less Rebates received by Sponsor) under the Agreement, then the parties shall negotiate in good faith a modification of the pricing terms herein. The revised pricing terms will become effective on the first day of the contract year following the issuance of the report or sixty (60) days following a fully executed amendment or agreement memorializing the revised pricing terms, whichever is later. The market check shall be at Sponsor’s expense, except that PBM shall be responsible for its costs related to responding to the market check.

# What did you learn today?

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- **Optimizing Contract Language**
- **PBM Profit Games**
- **Why the Spreadsheet Doesn't Matter**



# INSPIRE

companies  
healthcare  
community



INSPIRE

companies  
healthcare  
community



# Why Rebate Guarantees Don't Matter

## A Case Study – A Client with 10,000 Lives



- The PBM contract pays \$2,500 in rebates for each specialty claim filled
- **Proper clinical criteria** says they should only fill specialty in 30-day increments (example: this client has 91 in 60 days and 283 in 84+ days)
- **In these cases, the PBM only pays the employer FOUR rebates a year, instead of 12**
- If filled by proper clinical criteria, and the numbers are standardized (182 for 60+ days and 849 for 84+ days) - for this client, **657 more rebate payments** should have been received by the employer
- Traditional PBMs do this with **ALL specialty claims** - multiplying these numbers by the number of specialty drugs the employer fills for their members

	Total Fills	Rebate Amount	Rebate Dollars Paid
30 or less	336	\$ 2,500.00	\$ 840,000.00
60	91	\$ 2,500.00	\$ 227,500.00
84+	283	\$ 2,500.00	\$ 707,500.00
<b>Total</b>	710		\$ 1,775,000.00
<b>Standardized for 30 Days</b>			
30 days	336	\$ 1,500.00	\$ 504,000.00
60 days	182	\$ 1,500.00	\$ 273,000.00
84+ days	849	\$ 1,500.00	\$ 1,273,500.00
<b>Total</b>	1367		\$ 2,050,500.00