

**Successful Pharmacy Plan Case Study**

**Location:**

Upstate NY County

**Saving Realized**

\$7,800,000

**Case Study Developed By:**

**Tom Augustini**

Benefit Advisor

and

**Becky Perkins**

Benefit Advisor

**The Challenge**

A municipal employer with 6,300 lives engaged Haylor, Freyer & Coon (HF&C) to secure and monitor a better pharmacy plan. HF&C partnered with a Pharmacy focused healthcare IT company to conduct the review. Upon implementation and on an ongoing basis, we can monitor the County's pharmacy invoices with their specialized software for cost accuracy, reporting any errors to the County and working with the PBM to reconcile these errors.

**The Strategy**

This Upstate NY County had been with the same Pharmacy Benefit Manager (PBM) for more than five years and decided it was time to perform a market check and put their prescription drug plan out to bid to procure the most competitive pharmacy plan possible.

**The Solution**

With the simple, yet robust, automated platform, the Request-for-Proposal (RFP) was completed efficiently and with minimal effort. HF&C worked with the County and the PBM to obtain the necessary data for the bid as well as customize the RFP terms and questions to meet the County's needs. Within 30 days, one round of bidding was completed and the County was armed to make a decision.

HF&C and their partners provided both financial and qualitative scores for each PBM in a professional and easy-to-read report. After review, the County was confident that it secured the best pricing and contract terms. After the winning PBM was chosen, the County was provided all the contract terms and definitions from the RFP to be placed in the final contract.

**The Result**

This Upstate NY County saved over 14% on their pharmacy spend and continues to monitor its costs with the ongoing invoice review.

**HF&C partnered with this state of the art software company to deliver a very unique process which included the RFP Process, negotiating term and conditions with the PBM and then reviewing and monitoring 100% of the claims to ensure accuracy and the county was the winner by saving over 14% or almost \$7.8 million dollars!**

	PBM 1	PBM 2	PBM 3	PBM 4	PBM 5
Bid Quality Score	210	155	118	99	197
Projected Current Plan Cost	\$52,231,372	\$52,231,372	\$52,231,372	\$52,231,372	\$52,231,372
Projected Bid Cost	\$45,907,935	\$42,444,813	\$44,449,477	\$42,564,753	\$53,747,437
Savings (\$)	\$6,323,437	\$9,786,559	\$7,781,895	\$9,666,619	(\$1,516,065)
Savings (%)	12.11%	18.74%	14.90%	18.51%	-2.90%