

Improving Your Prescription Drug Benefit Consulting Support

Introduction and Instructions

Obtaining good value from pharmacy benefits requires expertise and engaged management. If either of these factors falls short, then your organization's pharmacy benefit strategy may fall short of its objectives, too.

This observation is based on research conducted on behalf of the National Pharmaceutical Council (NPC) and reported in [Toward Better Value](#). The research demonstrated a positive relationship between an employer's level of pharmacy benefit engagement and their trust/satisfaction with their pharmacy benefit manager (PBM). The research also indicated that strong consulting support is related to a higher level of employer pharmacy benefit management engagement.

These observations make sense, because while it helps to receive quality guidance and insights from your consultant, valuable consulting doesn't operate in a vacuum. Employers need to be actively engaged in managing pharmacy benefits to enable their consultants to be effective partners and to receive the greatest value possible from their pharmacy benefits.

Derived from NPC's research, this worksheet enables employers to first gauge their approximate position on a segmentation grid of consulting quality and pharmacy benefit engagement, and then identify actions to improve the overall quality of consulting support received and/or organizational engagement.

Steps for completing the worksheet are:

1. In the two tables below, review each item and choose the response that most accurately reflects your organization's experience and behavior over the past year (versus plans or aspirations). Tally points associated with each set of items (consulting quality and engagement in pharmacy benefit management).
2. Plot the points your organization scored on the 2-by-2 segmentation grid provided.
3. Identify actions to increase the quality of your organization's consulting support and/or organizational engagement.

Step 1: Rate and Tally Consultant Quality and Employer Engagement Questions

Quality of Support From Pharmacy Benefit Consultant			
Our consultant...	Frequently Occurs	Sometimes Occurs	Rarely/Never Occurs
Works with us throughout the course of the year to monitor and manage our PBM's performance	2 points	1 point	0 points
Identifies problematic issues in our PBM contract	2 points	1 point	0 points
Explains the financial and clinical aspects of key formulary decisions	2 points	1 point	0 points
Evaluates PBM recommendations for implications beyond drug price (e.g., health, medical costs, productivity impacts)	2 points	1 point	0 points
Suggests ideas my team hadn't considered to lower costs, improve quality, etc.	2 points	1 point	0 points
Total Points (plot on vertical axis in Step 2)	_____		

Organizational Engagement in Pharmacy Benefit Management

Our HR/Benefits Team...	Frequently Occurs	Sometimes Occurs	Rarely/Never Occurs
Maintains an in-depth understanding of pharmacy benefit management practices and trends	2 points	1 point	0 points
Uses our consultant to conduct services that are critical to PBM assessment (e.g., regular audits, contract reviews, monitoring performance, etc.)	2 points	1 point	0 points
Critically weighs options before implementing our consultant's advice	2 points	1 point	0 points
Holds our consultant accountable on measurable performance targets	2 points	1 point	0 points
Brings new ideas and approaches to our consultant when we find an issue we'd like to explore further	2 points	1 point	0 points
Total Points (plot on horizontal axis in Step 2)	_____		

Step 2: Plot Your Scores

To identify your organization's position on the chart, identify the spot at which the point totals from the assessment tables intersect. Note the quadrant in which your plot falls.



Step 3: Identify Actions to Improve the Value of Your Drug Benefit Consulting Support

If your plot point is in the upper right quadrant, congratulations! Your organization is actively engaged in managing its prescription drug benefit with the help of quality support from your pharmacy benefit consultant.

If your organization is in any of the other quadrants, you may want to consider working to increase the quality of your consulting support and/or engagement to move up and/or right on the chart. Steps to consider include:

- 1. Develop a sufficient level of internal expertise on prescription benefits:** One or more people on your internal team should develop the pharmacy benefit expertise needed to make efficient and effective use of consulting support. Your team's internal expert should know what good pharmacy benefit management looks like, and should understand the critical analytic and consultative support your organization needs.
- 2. Evaluate your current consulting support/identify a consultant with the skills, experience and objectivity your team needs:** Look for a consultant with deep expertise in pharmacy benefit management and contracting. Attributes to look for include:
 - Having inside knowledge of business models and contracts gained through experience working for a PBM or specialty pharmacy manager (SPM)
 - Possessing or having access to clinical expertise to help evaluate formulary recommendations
 - Having no conflicts of interest arising from personal or corporate business arrangements with any PBM or SPM vendors
 - The ability to explain the complexities of PBM/SPM contracting in a way that gives your team confidence about and trust in the decisions being made
- 3. Structure your consulting arrangement to pay for the services your organization needs:** Think through what your team would like its consulting relationship to look like. Are there services you're not currently receiving because you're not buying them (e.g., additional analysis, clinical assessment of formulary recommendations, etc.), or are there services you're paying for that you don't need? Think through needs and how performance can be measured, and contract accordingly with your consultant.
- 4. Remain actively engaged:** Insist on understanding – in clear language – the recommendations being made by your PBM/SPM. Speak up about pharmacy benefit management topics you don't understand and would like to know more about.
- 5. Expect change:** If your organization is engaged and working with quality pharmacy benefit consulting support, you should expect to be proactive with respect to changes in your PBM/SPM contracts, or even the fundamental approach you take (e.g., moving to a fully transparent, pass-through model). Working with your consultant to initiate discussions about improvements can lead to better value for your organization.

Notes
