

ParetoHealth. 

Pharmacy Cost Intelligence

Powered by PRxC (Pareto Rx Consortium)

A breakthrough way to
manage Rx costs



Rising pharmacy costs are unsustainable

Pharmacy costs alone drive 20-25% of total healthcare spend for most employers today. As the price of prescription drugs continues to rise steeply year over year, those percentages could easily increase to 40-50% in the next three to five years. Specialty Rx costs—now increasing by as much as 20% annually and the primary contributor to the alarming trend—add new urgency to an existing challenge: **a wholly untenable trajectory for small and medium-sized businesses.**

Blind spending is accelerating at an alarming rate

In a traditional fully-insured PPO model, employers have minimal insight into Rx claims. Formularies are often designed to maximize rebates and undisclosed revenue streams as opposed to driving to the lowest net cost. Direct-to-consumer marketing efforts by drug manufacturers with celebrity endorsements also push employees to drug choices that may not align with strategies to promote quality, high value care. The lack of transparency also stacks the system against employers who are unequipped to navigate the complexities of contract nuances, acquisition pricing, and offsetting financial guarantees that constantly shift to favor PBMs and drug companies.

PRxC flips the switch on Rx costs

Example 1:

Generic Savings, Prior Authorization

Original Rx:

Epclusa 400-100mg

Indication:

12-week treatment for chronic viral hepatitis C.

Action:

Recommended Rx change to generic made by the same drug company.

Result:

Saved \$62,849.67

Example 2:

Alternative Rx, Custom Historical Exclusion

Original Rx:

Conjupri (levamlopinine)

Indication:

Calcium channel blocker to lower blood pressure to treat hypertension, angina, a-fib, and migraines.

Action:

Recommended amlodipine as an alternative.

Result:

Saved \$1,490/month

Example 3:

Alternative Rx, Pipeline Management

Original Rx:

Kesimpta Pen (ofatumumab)

Indication:

Multiple sclerosis

Action:

Found multiple Rx options and recommended Ocrevus, which cost \$34K every six months vs. Kesimpta's \$8.3K/month

Result:

Saved \$15,800 over six months

ParetoHealth has partnered with industry expert Health Strategy, LLC to offer stringently vetted and negotiated pharmacy contracts. Their competitive, transparent pricing coupled with our approach to formulary management and plan design eliminates ambiguity and hidden revenue streams. Our PRxC formulary and contracts are driven solely by what our employers need—with no conflicts of interest. Combined buying power allows us to give employers volume discounts they couldn't get alone, and our expertise allows us to ensure employees can access cost-friendly therapy without compromising clinical effectiveness.

Why partner with ParetoHealth for pharmacy cost intelligence:

	Employers leverage combined purchasing power via expertly negotiated contracts that are transparent, competitively priced, and managed with strict performance guarantees
	No conflict of interest from rebate-driven formularies, contrary to typical PBM contracts
	Exclusive Rx cost management options at no additional cost
	High-touch new and specialty Rx review and prior authorization—with quarterly pipeline reviews and specialty carve-out rights
	Employer flexibility on coverage decisions, with the assistance of plan design recommendations
	Annual contract reconciliation to ensure financial guarantees have been met
	Regular due diligence and vetting of new and potential PBM partnerships

Results that impact the bottom line:



We conservatively estimate an Rx savings potential of 5% to 7% based on contract alone compared to industry average PBM. Additional savings from custom exclusions, in-house clinical review, and specialty drug programs combine with the contractual savings above to deliver an **annual savings potential of 25%+**.



In 2020, in-house clinical review for all specialty medications from ParetoHealth's clinical pharmacist generated an additional \$833,910.55 in captive-wide savings, **bringing total savings close to \$4M.**



Proactive oversight and expertise to save your team time and effort.

You know your business. We know Rx cost control.

Let's work together to deliver sustainable, practical drug benefits to your employees.

Unlock the power of PRxC

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