

# Understanding what is a PBM



If your employer offers prescription medication benefits, you may think that you are getting your prescriptions directly through an insurance plan. The fact is that most health plans contract with a pharmacy benefits manager (PBM) to administer prescription drug benefits.

## **So, what exactly is a PBM and what does it do for you?**

Simply stated, a PBM is a company that administers, or handles, the prescription drug benefit component of your employer's health plan. A PBM processes and pays for your prescription drug claims and is responsible for assisting your employer with managing the prescription benefit.

As the name implies, a PBM is in charge of administering prescription drug benefits, with the ultimate goal of providing plan members (you) with access to medications drugs while still keeping costs to a minimum. To achieve this goal, PBMs negotiate drug prices with pharmacies and establish a network of pharmacies that you can use to get your prescriptions filled, including PRxN mail-service pharmacy.

PRxN PBM also assists in developing your Plan's formulary or medication tiers, a list of medications covered under your Plan and their co-pay amounts. PRxN PBM helps to encourage the use of lower-cost medications, including generics, without compromising clinical effectiveness.

PRxN PBM utilizes our clinical and managerial expertise to recommend and implement cost-containment measures, like requiring Prior Authorizations, Step Therapy Plans and Managed Drug/Dispensing Limits (refer to associated "Understanding..." articles). PRxN PBM uses rule-based programs to help reduce duplicate prescribing and medication usage. The pharmacists and Certified Pharmacy Technicians at PRxN PBM provide comprehensive clinical services to help you get the most clinical bang for your medication buck!

PRxN's PBM division is dedicated to helping you and your employer access the best therapy for the lowest cost, without sacrificing effectiveness.