



HYLANT

Insights Series

Managing Pharmacy Benefits in 2025 and Beyond



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April 3, 2025

10:00 AM

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Agenda

- 1 PBM Contracting Strategies for Success
- 2 Fiduciary Pitfalls to Avoid
- 3 Ensuring the Right PBM Partner
- 4 Advancements in Science
- 5 Questions



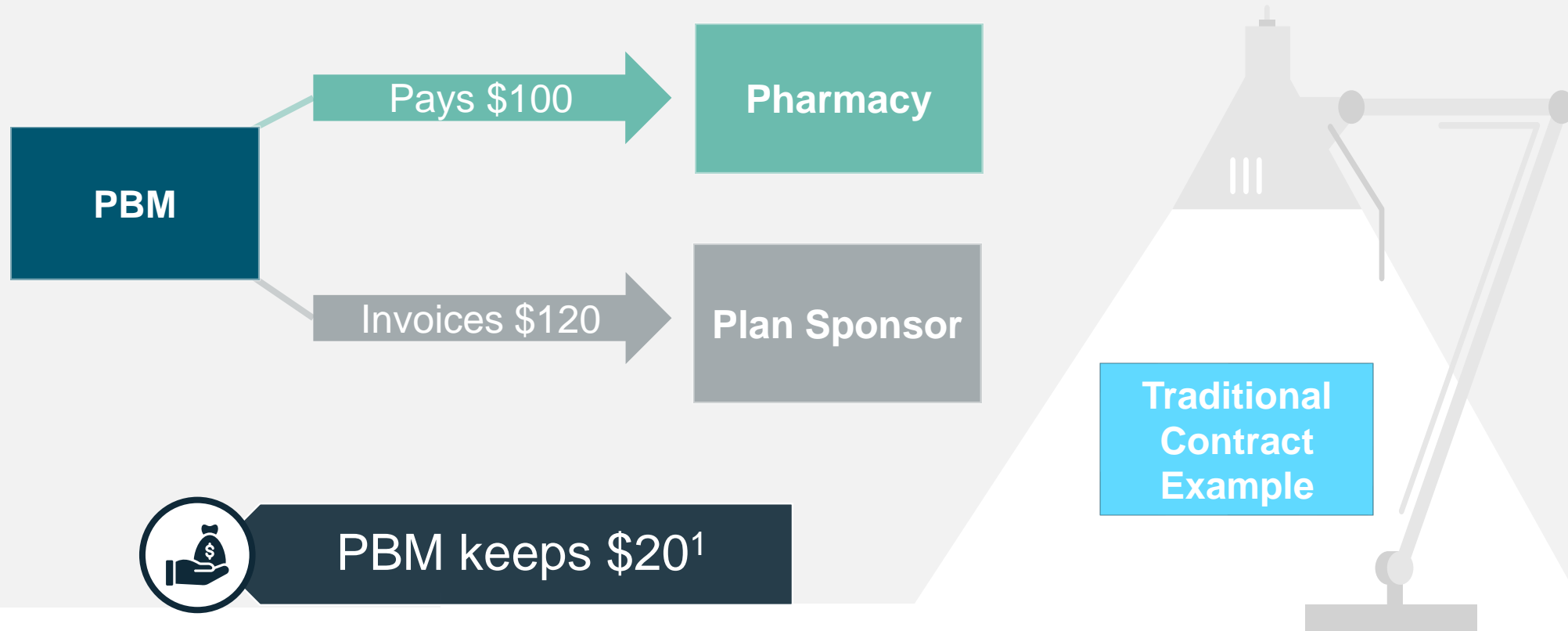
**PBM—Pharmacy Benefit Manager*



PBM Contracting Strategies for Success

Pharmacy Administrative Agreement

SPREAD PRICING – TRADITIONAL AGREEMENTS



¹This is an example for illustrative purposes. The actual spread is not disclosed and can range from 5-12% of plan spend.

The Spectrum of Pharmacy Models

EXPLORER TRADITIONAL MODEL

- Rx bundled with medical
- “Big 3” PBMs
- Spread pricing
- Limited or no rebate share
- Contract language favors PBMs
- Prescribed clinical protocols

INNOVATOR PASS- THROUGH MODEL

- Pass-through agreement
- Fully transparent
- No spread pricing
- 100% rebate share
- Contract language favors the plan sponsor
- More clinical edit choice

ADVANCED PASS- THROUGH STRATEGIES

- Manufacturer assistance programs
- Specialty alternative funding
- J-code drug management
- Site of care managed for infusion
- Drug importation

Low Employee Disruption

Low Employee Disruption

Potential Employee Disruption

Important Contract Elements

Additional elements
worth considering

TERMINATION
LANGUAGE

CARVE-OUT FEES

PBM AUDITS

PERFORMANCE
GUARANTEES

IMPLEMENTATION
ALLOWANCES

MARKET CHECK
CAPABILITIES

PBM Evaluation - Next Steps

What if following evaluation of current arrangement, you have noted areas for improvement?

- ✓ Negotiate current arrangement with PBM (recommend getting consultants help)
- ✓ Complete PBM Market Analysis (recommend even if happy with current arrangement)



PBM Market Analysis

Taking the first step of your PBM arrangement with current pharmacy market standards

- Request proposals from incumbent and PBMs with *transparent models*
- Compare proposals across vendors
- Trust but verify
 - **Quoted claim reprice reported by PBM ALONG WITH independent evaluation of drug pricing**
- Case Level clinical expertise needed to evaluate pricing proposals



Fiduciary Pitfalls to Avoid

Recent lawsuits raised awareness of plan holder fiduciary obligations.

- Employers must put the best interest of plan members at the forefront of their decisions.
- Documentation of the steps taken to arrive at a decision is critical.
- Lawsuits have been focused on the PBM ecosystem and pricing methodology.
- Evaluating PBMs with a financial and clinical lens provides significant validation for decisions.





Ensuring the Right PBM Partner

Pharmacy Benefit Managers (PBMs)



PBMs administer complex plan rules during claim adjudication

PBMs effectively communicate with large member populations.



THE BENEFITS



PBMs implement programs which result in decreased drug spend and may improve clinical outcomes.

PBMs have negotiating powers with pharmaceutical manufacturers.



PBM Considerations

NATIONALLY RECOGNIZED PLAYERS

- Typically offer traditional contracts
- Not as flexible for smaller plan sizes

SMALLER WITH BOUTIQUE/CONCIERGE SERVICES

- Very flexible
- Offer unique services
- Able to pivot quickly with changing pharmacy environment

CURRENT SITUATION

- Contract arrangement
- Rebate program
- Guarantees
- Administrative fees

Due to complexity, may need to bring in an expert to assist in evaluations and negotiations



Attributes of Ideal PBMs



TRANSPARENCY



FLEXIBILITY



**CLINICAL
PROGRAM
SOLUTIONS**



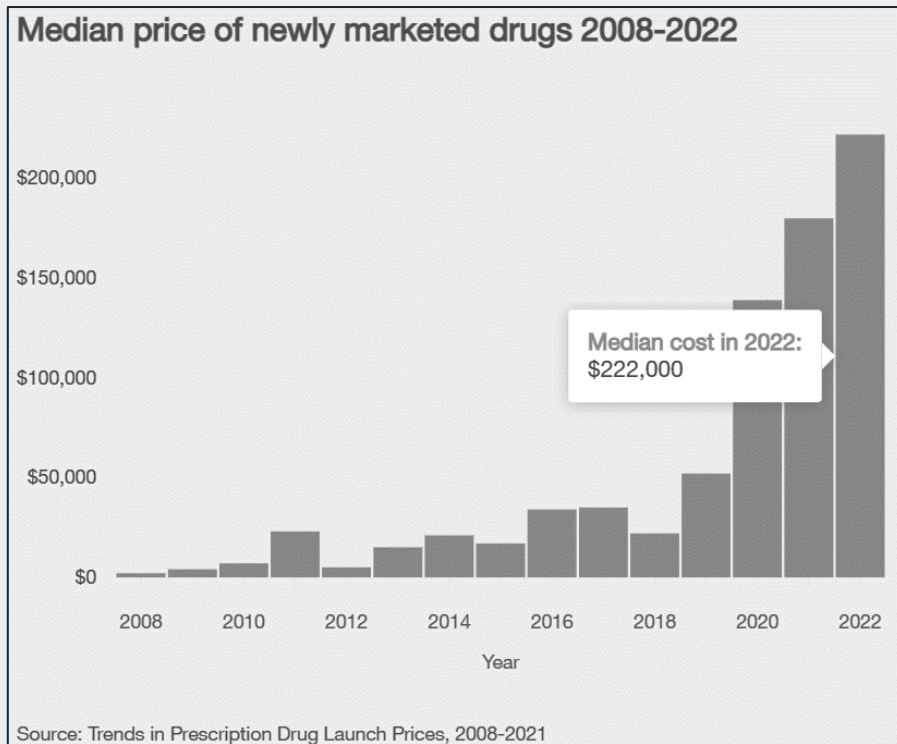
**HIGH-COST DRUG
SOLUTIONS**



Advancements in Science 2025

2025 Pharmacy Trend

COSTS EXPECTED TO RISE



Advancements in Medical Science and Technology

- \$100B in cost to US payors by 2030 based on advancements in science and technology
- Increases in high-cost therapies such as GLP1s, Biologics, Gene Therapy are anticipated to continue.
- Advancements in technology include telehealth, devices, e-prescribing, etc.

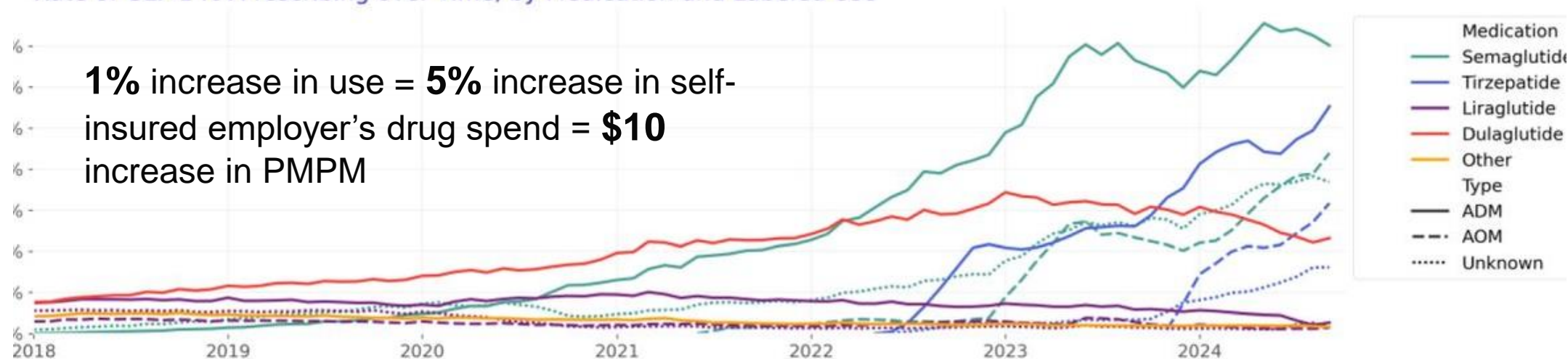
What role will AI have in the future of healthcare?

GLP-1s

2025 Key Takeaways

- Additional FDA approvals for new uses (i.e. chronic kidney disease, heart failure, liver disease)
- New injectable GLP1s advancing through clinical trials
 - CargriSema (cargrilintide/semaglutide)—shows greater weight loss than Wegovy (semaglutide)
- Oral options expected to gain more traction including higher dose of Rybelsus
- Generics (liraglutide and exenatide)
- Insurance coverage policies for GLP-1s may shift driven by new users and increased costs

Rate of GLP-1 RA Prescribing over Time, by Medication and Labeled Use



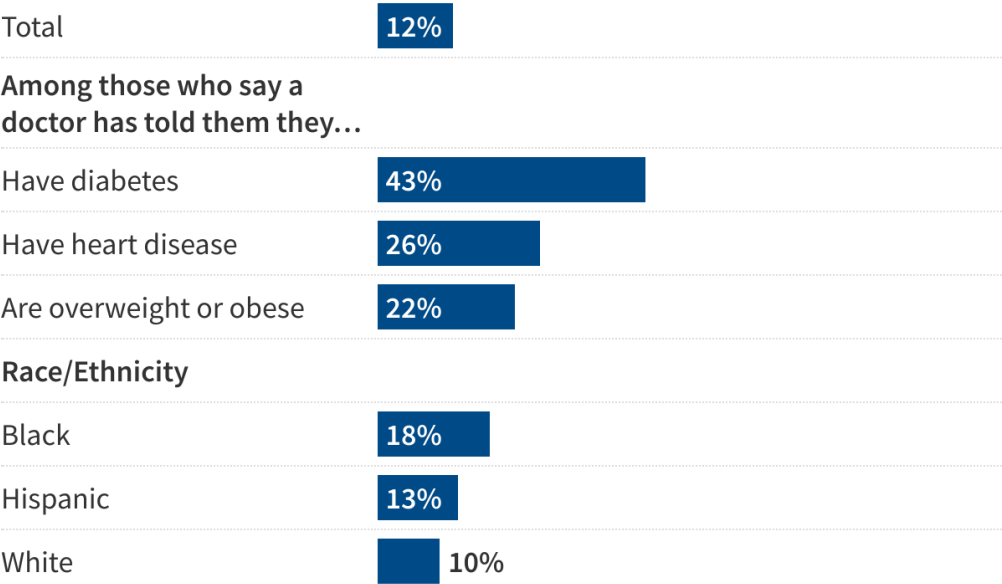
GLP-1s

Increasing exposure through research and media

Figure 2

One in Eight Adults Say They Have Ever Used GLP-1 Drugs, Rising to Four in Ten Among Adults Who Have Been Diagnosed With Diabetes

Percent who say they have ever used GLP-1 agonist drugs to lose weight or treat a chronic condition such as diabetes or heart disease:



Note: See topline for full question wording.

- ▶ GLP-1 Agonist Details
- ▶ Heart Disease and Diabetes Details
- ▶ Overweight or Obese Details

Source: KFF Health Tracking Poll (April 23-May 1, 2024)



Expanded Uses in Clinical Trials

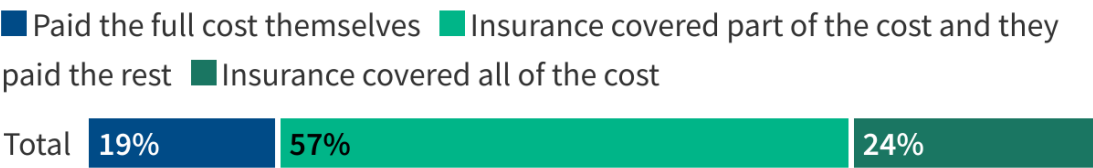
- Hypertension
- Cardiovascular Events
- NASH
- Stroke
- Cancer
- Parkinsons
- PCOS and Fertility
- Associative Learning and Dementia

Source: *J. Clin. Med.* **2025**, 14(6), 1978

Figure 6

Most Insured Adults Who Have Taken GLP-1s Say Their Insurance Covered at Least Part of the Cost, but Fewer Say Their Insurance Covered All the Cost

How did you pay for the cost of these drugs?



Note: Among those who have ever used GLP-1 agonists who are covered by health insurance. See topline for full question wording.

Source: KFF Health Tracking Poll (April 23-May 1, 2024)

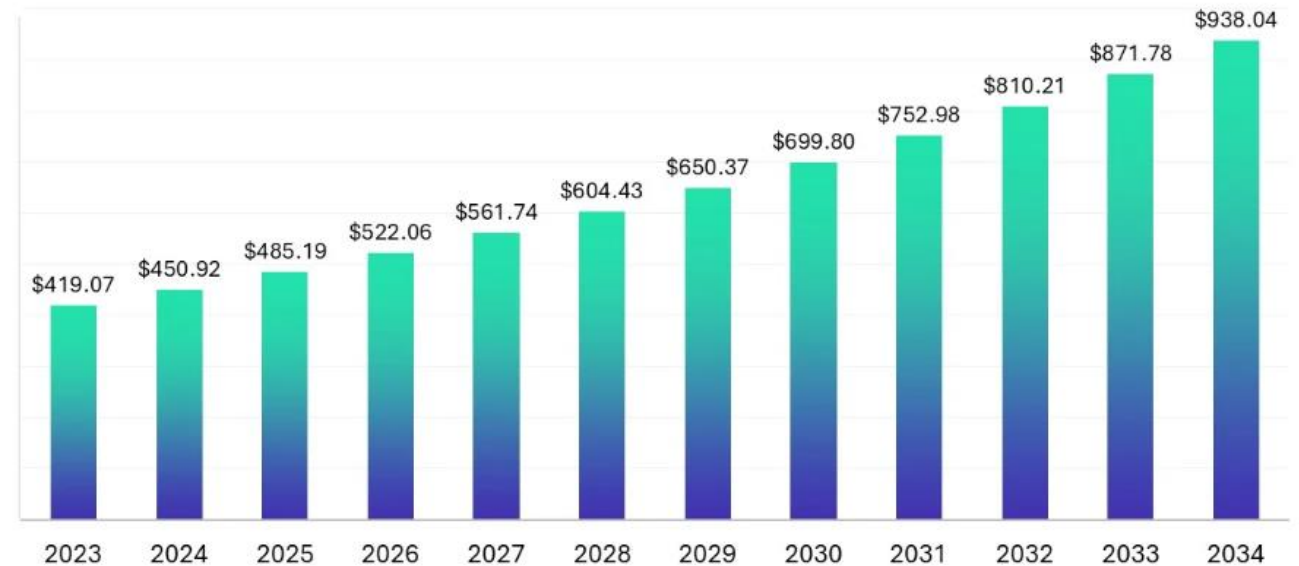


Biologics

- In 2023, 17 (30%) of 55 new drugs approved by FDA were for biologics.
- Biologics impacts cancer care by increasing survival rates
- AI may accelerate biologic discovery and ideal therapy candidates



Biologics Market Size 2023 to 2034 (USD Billion)



Source: <https://www.towardshealthcare.com>



**Actual Results
Matter**



Current therapeutic class selected: ANTIDIABETICS
Navigate back to Therapeutic Class Overview to select a different drug class

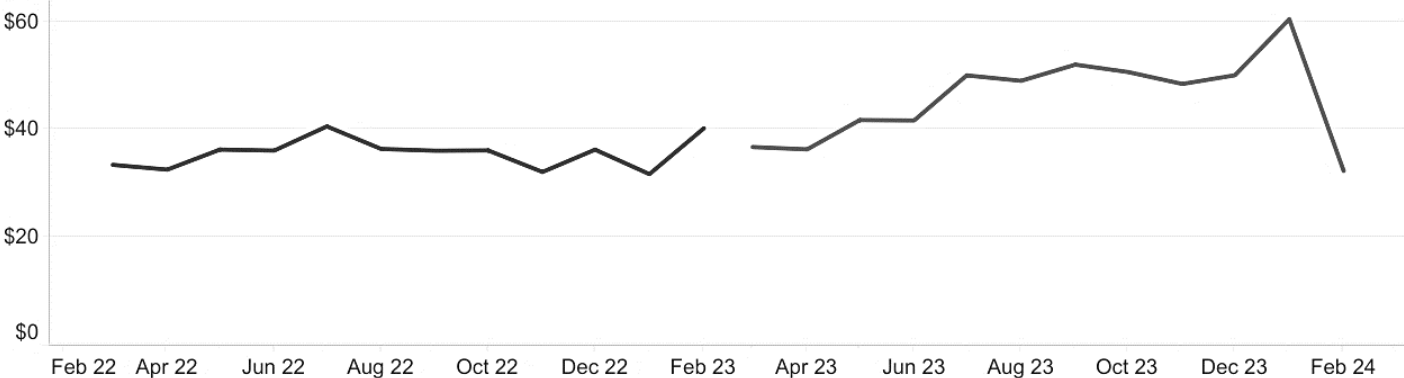
ANTIDIABETICS PMPM Trend

ANTIDIABETICS PMPM
Current 12 Months

\$46

▲ 28.2% from Prior 12 Months

PMPM Last 24 Months: ANTIDIABETICS



Aggregate Details Current Period

Amount Paid	Claimants	Claimants w/ Chronic Condition(s)	Unique Drug Count	Scripts per 1000	Paid / 30-day Supply	Unit Cost
\$3,512K ▲ 28.1%	754 ▲ 11.4%	693 ▲ 8.5%	66 ▲ 15.8%	583 ▼ 3.6%	\$338 ▲ 16.0%	\$10 ▲ 33.8%

One Step Deeper



× Pharmacy Explorer

● Data available through: Jan 2024

\$3,512K	754	693	66	583	\$338	\$10
▲ 28.1%	▲ 11.4%	▲ 8.5%	▲ 15.8%	▼ 3.6%	▲ 16.0%	▲ 33.8%

Top Drugs by Cost *Current period. Select drug to see prescriber details and associated metrics.*

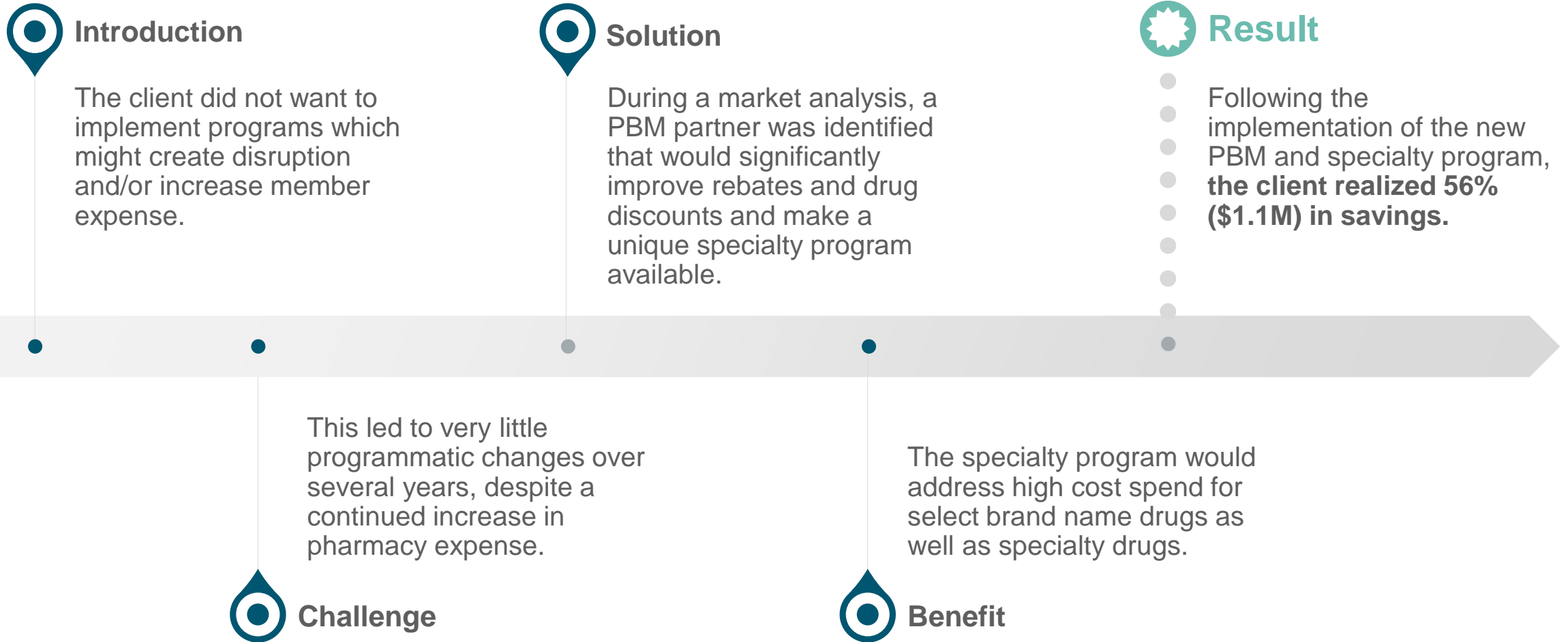
Sort Drugs By
Paid

Drug	Therapeutic Subclass	Claimants	Scripts	Paid / Script	OOP / Script	Unit Cost (Allowed per QD)	Amount Paid	
Mounjaro	Incretin Mimetic Agents	122	492	\$1,624	\$321	\$538	\$799,053	
Trulicity	Incretin Mimetic Agents	63	188	\$2,087	\$211	\$449	\$392,332	
Ozempic (1 MG/DOSE)	Incretin Mimetic Agents	78	218	\$1,796	\$138	\$299	\$391,605	
Jardiance	Sodium-Glucose Co-Transporter 2 (SGLT2..	94	234	\$1,507	\$123	\$18	\$352,699	
Farxiga	Sodium-Glucose Co-Transporter 2 (SGLT2..	73	182	\$1,466	\$127	\$17	\$266,815	
Ozempic (0.25 or 0.5 M..	Incretin Mimetic Agents	82	195	\$1,286	\$167	\$321	\$250,800	
Ozempic (2 MG/DOSE)	Incretin Mimetic Agents	36	106	\$1,722	\$53	\$290	\$182,563	
Rybelsus	Incretin Mimetic Agents	31	74	\$1,989	\$113	\$29	\$147,168	
Tresiba FlexTouch	Insulin	32	79	\$1,541	\$85	\$42	\$121,773	
Januvia	Dipeptidyl Peptidase-4 (DPP-4) Inhibitors	24	57	\$1,473	\$107	\$17	\$83,981	
HumaLOG	Insulin	12	35	\$1,601	\$169	\$22	\$56,052	
Xigduo XR	Antidiabetic Combinations	15	40	\$1,377	\$128	\$12	\$55,094	
Basaglar KwikPen	Insulin	24	56	\$968	\$176	\$21	\$54,211	
Synjardy XR	Antidiabetic Combinations	13	31	\$1,498	\$210	\$10	\$46,438	
HumaLOG KwikPen	Insulin	16	28	\$1,459	\$117	\$31	\$40,839	
Bydureon BCise	Incretin Mimetic Agents	7	16	\$1,783	\$127	\$219	\$28,527	
Levemir FlexPen	Insulin	19	34	\$796	\$123	\$27	\$27,074	
Mintazo	Incretin Mimetic Agents	2	0	\$2,748	\$80	\$112	\$24,722	

\$0K \$200K \$400K \$600K \$800K

Amount Paid

Case Study



Our Success: 2024 in Review

679

ENGAGEMENTS

1,200

AVERAGE CLIENT SIZE

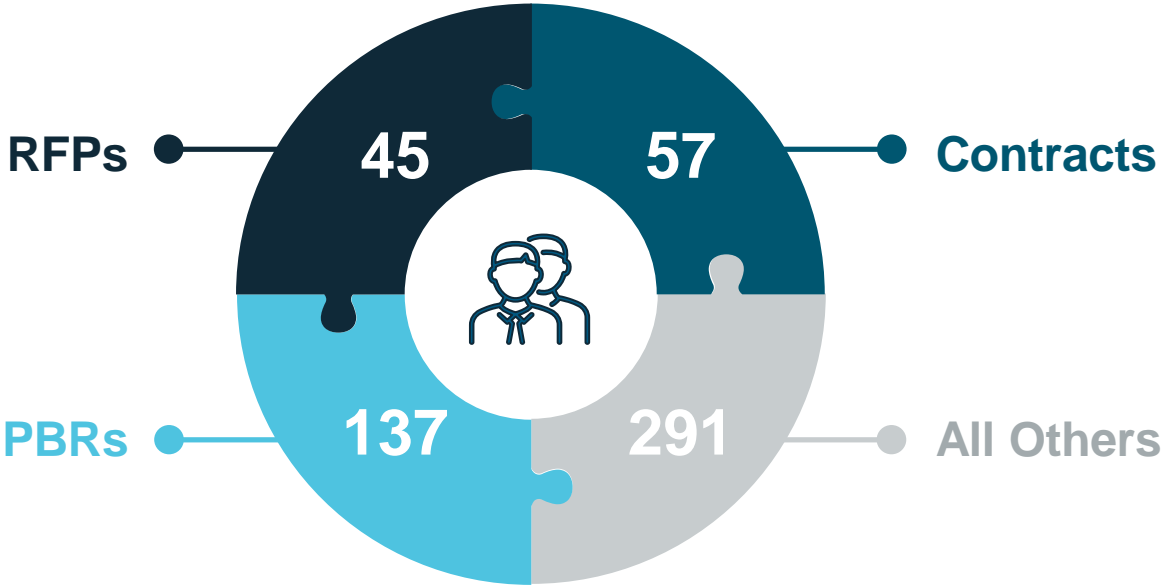
25%

SAVINGS OPPORTUNITIES
*\$70.7M

\$400k

DOLLARS SAVED PER CLIENT

Projects by Type and Count



A background image showing a group of people's hands stacked together in a circle, symbolizing teamwork and unity. The image is overlaid with a dark blue gradient.

Questions?

What's Next?

hylant.com/insights/events

- Mental Health Parity in Focus: Insights & Industry Updates for Employers
April 29, 2025, 10:30 AM – 11:30 AM ET
- Navigating Healthcare Delivery: HealthDirect, a Unique Solution
May 22, 2025, 10:00 AM – 11:00 AM ET



Thank you!

For more information about Hylant,
please visit us at hylant.com.

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