

PBM Harmonization

CASE STUDY

A GLOBAL CONGLOMERATE WITH DIVERSE BUSINESSES INCLUDING COSMETICS, MEDIA AND MILITARY EQUIPMENT REALIZED **\$16.6M** IN ANNUAL SYNERGIES BY HARMONIZING PHARMACY BENEFITS.

DEAL SNAPSHOT

Client Type: Family Holding Company

Employees: ~20,000 at start of deal

Baseline Rx Cost: \$160M 2020-2022

Projected Savings: \$11.2M/year 2020-2022

Actual savings: \$16.6M/year 2020-2022

Additional Projected Savings 2023-2025:

6.9% (year 1) • 14.0% (year 2) • 20.3% (year 3)

CURRENT

Diversified holding company client with 5 portcos seeks to leverage the aggregated PBM spend across the portfolio to create value through harmonization

ACTION

Client engaged Optimum To:

- Perform a forensic analysis of the current pharmacy benefits and vendors.
- Manage a PBM consulting firm to conduct an RFP for a unified PBM vendor.
- Evaluate RFP responses based on plan design, financial offerings, disruption analysis and stakeholder feedback
- Partner with key stakeholders to ensure an efficient implementation and successful Day-One .

OUTCOME

\$50M Rx savings initial 3 years of the program, additional \$12M for second 3 years