



TPA Finds Greater Savings, Value By Partnering With Pharmacy Benefits Optimizer

The Challenge

A Third Party Administrator (TPA) with 12 groups and 6,400 members was facing challenges with its pharmacy benefits. They were divided among multiple PBM contracts which meant a lot of extra work to manage multiple vendors, eligibility, claim files, and more; this ultimately led to contract neglect that affected its revenue stream. Between an under-performing contract, the lack of clinical programs, and poor service for issue resolution, the ability to bring market-leading pharmacy benefits to its groups and members was low. The TPA needed help from a partner who could successfully optimize its neglected pharmacy plan.

\$6.2M
Annual Pharmacy Spend



The Solution

The TPA selected RxBenefits, an independent pharmacy benefits optimizer (PBO), to manage its prescription drug benefits. RxBenefits used a data-driven analysis to identify areas of waste and solutions to reduce the TPA's unnecessary benefit plan costs. RxBenefits then implemented tailored contract and clinical strategies to lower the high pharmacy costs that had been plaguing the TPA.

- **One-Year Contracts:** flexibility to adjust pharmacy contracts at the client-level by agilely maneuvering within the ever-changing pharmacy market
- **Enhanced Revenue Stream:** TPA-optimized contract allows for the opportunity for an integrated solution and proper billing while taking advantage of savings
- **Tailored Clinical Programs:** ability to stay on-course to protect its groups from volatile trend fluctuations that typically result in higher drug spend
- **TPA-Specific Implementations:** personalized TPA Implementation teams learn how each TPA onboards new clients, increasing speed and reducing errors
- **TPA-Specific Dedicated Service Team:** top-tier support for issue resolution, client consultation, and elimination of integration hassles; specialized assistance supporting client relations including custom reporting and quarterly analysis with clinical updates

37-Day

Average Implementation

Rated **4.7 / 5.0**
on Implementation Client Satisfaction



Overall Optimization Results

While the TPA's pharmacy trend had historically risen when its membership remained stagnant, by working with RxBenefits to put the right clinical framework in place, it was able to stay on course and protect its growing groups by keeping a relatively flat trend through an extremely volatile year. By resetting its pharmacy benefits, the TPA has now achieved a decrease in drug costs and even more year-over-year savings.

By working with a PBO, the TPA leaders were able to rectify their pharmacy risk areas. Through a meticulous analysis of the pharmacy benefits contract and prescription drug claims data, a tailored strategy was set into motion resulting in:

Grew to **20** Groups and **8K** Members

3x Rebates | **\$14.92 PMPM** Savings

26% Decrease in Drug Cost (from ~\$6.2M to ~\$4.6M)

2x Revenue Stream | **\$30K** LCV Savings

38% YoY Member Growth | **100%** Group Retention

"We are definitely seeing much more savings through RxBenefits!"

- Personnel Specialist,
TPA Client



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