



Pharmacy Benefits Management National CooperativeRx and CVS Caremark

Pacific Health Coalition (PHC) provides member health plans with pharmacy benefit management (PBM) services through a not-for-profit, member-owned purchasing coalition, National CooperativeRx. The agreement gives PHC member plans access to large group discounts through CVS Caremark, an industry leader chosen by National CooperativeRx via a competitive bid process.

PHC works closely with National CooperativeRx and CVS Caremark to deliver significant savings on prescription drugs to PHC member plan participants and their dependents.

Goals

PHC's PBM program goals are to:

- Provide greater discounts and cost containment solutions through aggressive contract language
- Deliver responsive customer service
- Provide access to a comprehensive and easy-to-access pharmacy network
- Protect member plans by providing oversight of the PBM through regular audits
- Provide independent, objective clinical and pharmacy benefits expertise

How It Works

PHC's contract with National CooperativeRx means member plans benefit from the purchasing power of nearly 500,000 lives. National CooperativeRx audits claims to guarantee accountability and regularly rebids and renegotiates the PBM contract to ensure best-in-class pricing and service to members.

This PBM arrangement results in more than improved pricing; it promotes long-term cost containment through customizable clinical programs designed to promote higher value healthcare. Digital tools help participants manage their prescriptions, interactions and substitutions, and a mail order option gives participants an affordable way to receive home delivery of maintenance medicines.

Benefits

PHC's PBM contract through National CooperativeRx benefits member health plans in additional ways:

- **Competitive costs:** PHC and National CooperativeRx use aggregated pricing, with identical rates for all states and regions. This gives members the most aggressive prescription drug pricing possible.
- **Trend management:** Annual drug costs per participant (net of rebates), experience an annual increase of only 1% between 2018 and 2022. This is the result of the aggressive discounts and contract language, as well as clinical oversight programs that remove fraud, waste, and abuse, and best-in-class plan design recommendations implemented by PHC member groups.

[Proven health care cost reduction through strength in numbers](#)

111 West 16th Avenue, Suite 203, Anchorage, AK 99501
(907) 474-4226 phcoalition.org

- **Expertise:** National CooperativeRx uses its expertise of the pharmacy benefit marketplace and supplements that by hiring independent experts specializing in PBM contracting and auditing. This achieves timely contract updates and promotes maximum value for plans. Audit recoveries are returned to member groups at 100%.
- **Value-added programs:** National CooperativeRx provides access to programs designed to enhance prescription compliance, encourage generic utilization, and control prescription costs. Programs designed and operated by National CooperativeRx come at no additional cost. Programs provided by CVS Caremark are provided at reduced cost or no cost, as part of the negotiated contract.
- **Affordability:** Members pay a nominal membership fee per participant, a portion of which goes to National CooperativeRx and a portion to PHC.
- **Member-Ownership:** As a not-for-profit cooperative, National CooperativeRx returns net earnings to its members through a patronage dividend. In addition, PHC maintains representation on the National CooperativeRx governance board.

Learn More

To learn more about PBM services, contact PHC at (907) 474-4226 or (888) 474-4226.

