Prime Therapeutics

Prescription Drug Affordability Board
Presentation – May 12, 2026

Who we are

Owned and governed by not-for-profit Blue Cross Blue Shield plans, aligning decision-making with the needs of patients, health plans, and employers rather than outside shareholders.

Clinically led pharmacy benefit management services, with deep expertise in specialty medicines and complex therapies.

Focus on appropriate medication use and care navigation, helping patients access effective treatments while managing cost and safety.

Works to lower net pharmacy costs, through formulary management, manufacturer negotiations, and pricing models designed to give clients greater options for managing drug spend.

What is a pharmacy benefit manager (PBM)

A PBM manages the drug benefit for members of:

- Commercial health plans, including employer-sponsored coverage
- Government-sponsored programs, such as Medicaid and Medicare Part D
- Labor unions
- Other plan sponsors and administrators

Who does a PBM work with

PBMs manage and coordinate relationships between

- Plan sponsors
- Pharmacies
- Pharmaceutical Companies
- Patients & Members
- Medical providers

What services do PBMs offer

PBMs offer important services including:

- Administrative services (near instantaneous claims processing, eligibility, faster provider payments)
- Benefit design support (in consultation and collaboration with plan sponsors)
- Pharmacy network management
- Formulary and rebate administration
- Clinical programs and utilization management
- Specialty drug management
- Compliance, reporting and audit support

The Prime difference: our core commitments

Prime THERAPEUTICS™

- Governance by non-profit Blue plans accountable to members
- Evidence-based clinical expertise guiding coverage decisions
- Helping patients access appropriate, safe and affordable medicines
- Visibility into costs and financial tradeoffs

80+	26	25M	7K+	613M+	$71B
Health plans	States + D.C.	PBM members	Employees	Claims processed	Drug spend managed

Considerations for PDAB

We encourage the board to consider the available and missing data around prescription drug pricing because in 2020, Prescription Drug Price Transparency Act was passed. The law requires drug manufacturers, wholesalers, and PBMs to report specific data to MDH and Department of Commerce. It does not require drug manufacturers to report on all drugs, and it does not include reporting requirements for all drug supply chain members. Pharmacies and PSAOs do not have reporting requirements.

UPL will create drug shortage and access issues for members.

PDAB is to do no harm, and UPL will do harm.

Considerations for PDABs

Legislature has passed more than 20 laws regulating PBMs under the pretense of increasing access and lowering costs. None of these bills have resulted in lower overall drug costs for consumers in the commercial market.

62W.07	A PBM cannot set a lower reimbursement for 340B pharmacies or exclude from networks.
62W.077	Mandates a PBM to disclose of OOP cost at a preferred pharmacy vs non-preferred pharmacy.
62W.07	Prohibits PBMs from incentivizing patients to use preferred pharmacies or affiliates.
62W.13	PBM prohibited from retroactively reducing the price it reimburses a pharmacy for a claim.
151.74	Insulin must have a $50 copay cap for a 90-day supply
62W.06	PBM must upon request, disclose of claim information to plan sponsor.
62W.11	PBMs cannot prohibit pharmacies from disclosing cost sharing information to patients.
62W.075	PBM prohibited from requiring pharmacy to dispense a therapeutically equivalent alternative that would cost a patient more OOP.
62W.14	PBM that requires a patient to use mail order pharmacy for specialty drug must deliver drug within 7 days.
62W.15	PBMs required to establish and disclose appeals process for exemption from requirement to use specialty pharmacy for clinician administered drugs.

62W.08	PBM required to update MAC list every 7 days and pharmacies have 15 days to appeal MAC list pricing.
62W.05	PBM must meet pharmacy network standards that assures all state residents are within a geographic distance from at least one pharmacy.
62W.04	PBM must exercise good faith and fair dealing toward the third-party payor.
62W.03	PBMs must obtain a license and pay an $8,500 application and renewal fee.
62W.09	PBMs must give 14-day notice before initiating pharmacy audit and audit limited to 24-month set of claims.
62W.05	PBMs prohibited from requiring stricter pharmacy accreditation standards than federal and state requirements for licensure as a pharmacy in this state.
256B.0625 subdivision 13e	PBMs must reimburse Medicaid claims at NADAC plus $10.77 dispensing fee.
62Q.75	Prompt pay requirements for claim of 30 days for electronic and paper claims.
62W.06	PBMs must disclose all cases of spread pricing to the DOI and as requested by plan sponsor.
62W.076	PBM must disclose to patient their OOP cost for a drug at a specialty pharmacy and at an in-network retail pharmacy upon request.
62Q.184, 62M.04, 62M.05, 62M.06, 62M.07	Health insurance carriers to establish clear UM protocols, including step therapy and adverse determination processes.

Generating cost savings for patients

Prime supports health plan-approved programs and strategies that help lower members' out-of-pocket costs, including:

• Programs comparing prices inside and outside of the pharmacy benefit to get the lowest cost available option, helping members pay less

• Encouraging use of lower-cost generics and biosimilars, managing high-cost specialty medications and reducing waste while supporting appropriate medication use

• Negotiating lower pharmacy reimbursement rates, reducing what members pay in high-deductible health plans and plans with coinsurance

• Pass through of manufacturer rebates and pharmacy discounts

• Clinical and care coordination programs that support timely access to therapy, improve outcomes and can help reduce overall costs

PrimeThansk You

Thank you

CONTACT US

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