

WHAT TO EXPECT

When Carving Out Your Pharmacy Benefits

A Strategic Guide for Employers

Slate Rx®



TABLE OF CONTENTS

Enhanced Cost Transparency and Performance Insights..... 3

Direct Financial Accountability ... 4

Independent Data Integration and Governance 4

Flexible and Targeted Member Communication Strategy..... 5

NOTE: *This document outlines the strategic advantages, operational considerations, and implementation approach for employers evaluating a pharmacy benefit carve-out model.*

Pharmacy benefits are one of the fastest-growing and most complex areas of employer healthcare spend. Yet when pharmacy is bundled with the medical plan, employers may have limited visibility into what is driving costs and how the benefit is performing.

Carving out pharmacy benefits can give employers greater transparency, financial accountability, and control. It also changes how key aspects of the benefit work together—from eligibility and data integration to invoicing and member communications.

This guide provides an overview of the benefits and what employers can expect when carving out pharmacy benefits with SlateRx. From key operational considerations to data coordination and member communications, it outlines how the process works, what to expect along the way, and provides a checklist of important milestones. Understanding these steps helps support a smooth transition and a positive experience for both the plan and its members.

Enhanced Cost Transparency and Performance Insights

A carve-out pharmacy benefit delivers a clear, standalone view of pharmacy spend and performance, enabling more precise cost management, trend analysis, and targeted intervention strategies.

Focused Performance Reporting

Reporting becomes pharmacy-centric, providing actionable insights that align more directly with benefit design strategies, vendor performance, and clinical outcomes.



Slate Rx

SlateRx: Clinical Savings Reconciliation

Prepared for: Client XYZ

Based on claims during the period from 01/01/2025 to 12/31/2025

Background	
Total Drug Ingredient Cost *	$ 42,238,159
Average Covered Lives	28,316
Number of Months Measured	12
Number of Patient Encounters	6,736

Results	
Total Program Savings	$ 6,267,887
PMPM Savings	$ 18.30
As % of Rx Spend	14.8%
Unique Encounters With Saved	1,135

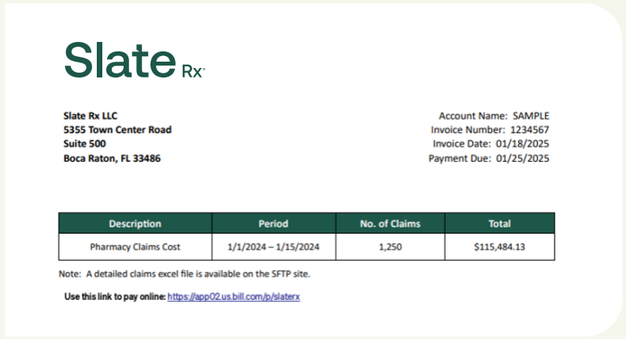
Savings does not count baseline value that most PDMs will count as savings (such as avoided costs from regular PA denials that automatically

	Savings Impact			
Category	Total Dollars	PMPM	As % Rx Spend	Notes/Examples
(I) Clinical Criteria Application	$(1,681,693)	$ (4.19)	-4.0%	Some examples include: Tremfya, Xiaxan, Testosterone, Nourjeo, Wakix, Ozempic, & Ubreky
(II) Pharmaceutical & Therapeutic (P&T) Committee Rules	#########	$ (8.12)	-6.6%	Some examples include: Stynd, Xdemvy, Humira/adalimumab, Stelara/Ustekinumab, Cosentyx
(III) Retrospective Therapeutic Alternatives Program	$ (175,701)	$ (0.51)	-0.4%	Some examples of successful therapeutic substitutions include: Reclipsen, Aviaxiby, Evorice, Vivanse, Revuti, Caplyta, and Adderall XR
(IV) Prospective Therapeutic Alternative Program	#########	$ (3.46)	-2.8%	Some examples of successful therapeutic substitutions include: Ivabradine (Ranolgha, Fixep, Aspser, Dreglubes), Nonolog, Trenbal, Emgality, Jaterez, Adzenys, Elmiwis, Sprawato, & Flenuoj
(V) Fixed Cost Avoidance	$ (444,881)	$ (1.30)	-1.1%	Costs avoided from elimination of prior model cost (1 per PA, 4 per Appeal, 8 per Independent Review, etc.)
Total	#########	$ (18.30)	-14.8%	



Direct Financial Accountability

As an employer you will receive direct invoicing for pharmacy claims and administrative fees (PMPM), improving financial clarity, auditability, and control over pharmacy-specific expenditures.



Slate Rx

Slate Rx LLC
5355 Town Center Road
Suite 500
Boca Raton, FL 33486

Account Name: SAMPLE
Invoice Number: 1234567
Invoice Date: 01/18/2025
Payment Due: 01/25/2025

Description	Period	No. of Claims	Total
Pharmacy Claims Cost	1/1/2024 – 1/15/2024	1,250	$115,484.13

Note: A detailed claims excel file is available on the SFTP site.

Use this link to pay online: https://app02.us.bill.com/p/slaterx

Independent Data Integration and Governance

Dedicated data feeds, managed by the pharmacy benefit administrator, support eligibility, accumulator integration, and claims coordination, strengthening data integrity and enabling more agile decision-making.

1. **Eligibility File:** SlateRx coordinates with your eligibility vendor to establish file feed.
2. **Accumulator Files:** SlateRx coordinates with your medical vendor to receive and share member deductible and maximum dollars.
3. **Claims Files:** SlateRx sends claims details to your choice of vendors for disease/care management, data warehouse and/or reconciliation; available in a variety of layouts and frequencies.
4. **Data Transition Files:** SlateRx obtains member transition files from both the plan and their existing vendor to seamlessly transition your member's data; this may include claims history, prior authorization, mail order open refills.

Flexible and Targeted Member Communication Strategy

Your member communications are tailored to your organization's needs, leveraging our flexibility to support your carve-out strategy and ensure a smooth, seamless transition for your membership.

ID Cards

Employers can maintain a combined Medical/Rx ID approach or deploy a separate pharmacy ID card, offering flexibility in how benefits are accessed and managed.

Targeted Member Engagement

Pharmacy-specific communications can be tailored to improve adherence, drive utilization of cost-effective therapies, and enhance the overall member experience.



Employer Carve-Out Checklist

Client Contact Information

- Plan provides contact information for clients and stakeholders.
- SlateRx partners with stakeholders to implement the benefit, communicate with membership and coordinate direct invoicing for pharmacy claims and monthly per member per month fees.

Account Structure

Defines how the overall plan structure is broken out for benefits, invoicing, and reporting.

- Plan provides the current account/group breakouts that are utilized today.

Eligibility Strategy

Setup of plan member eligibility files, layouts and technical specifications.

- Plan provides name and contact information for eligibility vendor.
- SlateRx does the rest of the data file setup directly with the vendor.

Clinical Programs and Utilization Management

Includes the definition of formulary requirements, prior authorizations, step therapy, quantity limits, and clinical strategy.

- If available, plan can provide existing formulary and clinical program insights under their existing pharmacy benefits.

Current Plan Designs

Outlines the prescription benefit details of plans that exist for employees today.

- Plan provides their current Summary Plan Description, including:
  - Copayment/coinsurance
  - Maximum out of pocket
  - Deductible
  - Preventive drug list (Bypass deductible)
- Plan provides any changes they're considering for the new plan year.

Medical Vendor

Integrated accumulations consist of the setup and maintenance of connectivity with a medical integrator to combine pharmacy and medical dollars for applicable deductibles and out-of-pocket balances.

- Plan provides name and contact information for their medical integrator.
- SlateRx does the rest of the data file set up directly with the vendor.

Member Data Transition

- Plan provides name and contact for their current PBM vendor.
- SlateRx coordinates directly with the existing vendor to gain the following member data files:
  - Open mail order refills
  - Open specialty refills
  - Prior authorizations
  - Accumulator priming balance (if plan year is different from effective date)

Historical Plan Data

- Plan provides their past pharmacy member count, claims, rebate, and reconciliation details to SlateRx.
- SlateRx uses this data to support member history, targeted mailings, and year-over-year performance and savings analysis reporting.

Member ID Cards:

- Plan confirms if they will continue with a combined Medical/Rx ID card or have a Pharmacy-only ID card.
- SlateRx supports either choice.

Member Communications

- SlateRx provides recommended communication strategy for open enrollment, transition, and welcome communications.
- Plan chooses communications that align with their goals.
- SlateRx is fully flexible to meet the plan's customized needs.

SlateRx's Carve-Out Model

Empowers employers with greater transparency, control, and flexibility, to actively manage cost and health outcomes.

Slate-Rx.com

Slate Rx®