## Role of the Pharmacy Benefit Manager (PBM)



Pharmacy dispenses drugs to consumers and collects copays



**Pharmacy** 

Wholesaler sells drugs to pharmacy at prices negotiated with wholesaler or manufacturer



## **Wholesaler**

Consumers

Consumers pay premiums to health insurer or employer



Insurer/employer pays
PBM to manage drug
costs and PBM passes
back some or all rebates
to insurer/employer

PBM pays pharmacy for drugs based on negotiated reimbursement

Pharmaceutical manufacturer sells drugs to wholesaler at negotiated discount





**Manufacturer** 

Insurer/Employer