

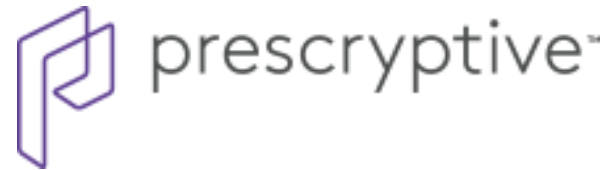


**Validation**Institute

# 2023 Validation Report

**Review for: Prescriptive Health**  
**Validation Achieved: Contractual Integrity**  
**Valid through: September 2024**

# Company Profile



---

<b>Category:</b>	Pharmacy Benefit Management
<b>Website:</b>	<a href="https://prescriptive.com/">https://prescriptive.com/</a>
<b>Public or Private:</b>	Private
<b>Year Established:</b>	2017
<b>President:</b>	Chris Blackley
<b>Company contact:</b>	<a href="https://prescriptive.com/contact-2/">https://prescriptive.com/contact-2/</a>

**Description:**

**Prescriptive Health** is a healthcare technology company rewriting the script for the US pharmaceutical market. We are building a more equitable and transparent ecosystem that creates full transparency for drug pricing, allowing healthcare consumers to take ownership of their prescriptions, in turn driving benefit plan cost savings for employers and plan sponsors with better outcomes through increased medication adherence and meaningful employee engagement.

**Prescriptive's** transparent PBM services connect employers, consumers, pharmacists, and prescribers, providing plan members with true price transparency so they can make informed decisions. One feature of Prescriptive's patented, blockchain-powered platform is proactive mobile text alerts that can positively influence the risk of medication abandonment and non-adherence, in a softer way than prior authorizations and other current methods of many PBMs. Prescriptive alerts members with pharmacy benefits about less expensive drug alternatives for their condition, saving



# Company Profile

---

them and the plan money. Overall, members who act on **Prescriptive's** text alerts spend 6x less on prescription drugs, with \$92 median per member per prescription.

To date, 100% of **Prescriptive** clients have experienced improved pricing compared to their previous PBM. Prescriptive's savings methodology is as follows:

- **Prescriptive** does not make money on the sale of drugs.
- **Prescriptive** does not engage in spread pricing – the price Prescriptive pays to the pharmacy is the price we bill to the employer/plan sponsor.
  - Prescriptive uses NADAC (a benchmark published by CMS) to price generic drugs. Unlike other PBMs, Prescriptive does not use internal proprietary MAC (Maximum Allowable Cost) lists to manipulate prices and generate hidden revenue via spread pricing.
- **Prescriptive** does not play rebate games – In our client contract, we state the rebate is the property of the plan sponsor, and we pass through 100% of rebates to the plan sponsor.
- At **Prescriptive**, claims data is the plan sponsor's data – by contract, we agree to keep your data in a readily accessible format so there is no delay when it comes time for an audit, and we agree to help pay for your PBM audit.
- **Prescriptive** charges no additional fees: employers pay a flat per member per month (PMPM) fee, with no up-charges or hidden fees. Prescriptive's sole source of revenue as a PBM is this flat PMPM fee.





# Company Profile

---

- Unlike other PBMs that pay large sums of money to lawyers to fight off claims that a PBM is a fiduciary, **Prescriptive** by contract agrees to serve as a fiduciary of your plan.

Additionally, employers on the **Prescriptive** platform have access to direct pharmacy pricing from over 60,000 pharmacies.





# Claim Assertion for Validation

---

Prescriptive's model contract submitted in October 2022 meets Validation Institute standards for transparency. These standards include definitions of terms, client access to data, and guarantees.





# Method / Calculation / Examples

---

Prescriptive's contract was reviewed by a PhD with expertise in health care fraud detection and pharmacy benefit management contracts. The reviewer confirmed that Prescriptive's contract meets Validation Institute's standards for transparency.





# Findings & Validation

---

Prescriptive's model contract submitted to Validation Institute meets the standards for transparency.





# Limitations

---

Prescriptive's program includes direct rebate contracts with pharmaceutical manufacturers and 100% of those rebates are passed on to the client. On certain occasions they will use some wrap services from a rebate aggregator, which may retain a percentage of the rebates that it receives from drug manufacturers. Prescriptive, however, passes through to the plan sponsor 100% of the rebates that it receives from the rebate aggregator.







# Validation and Credibility Guarantee

---

**Prescriptive's PBM Contract** achieved validation for **Contractual Integrity**. Validation Institute is willing to provide up to a \$10,000 guarantee as part of their Credibility Guarantee Program. To learn more, visit <https://validationinstitute.com/credibility-guarantee/>

## Savings

Can reduce health care spending per case/participant or for the plan/purchaser overall.

## Outcomes

Product/solution has measurably improved an outcome (risk, hba1c, events, employee retention, etc.) of importance.

## Metrics

Credible sources and valid assumptions create a reasonable estimate of a program's impact.

## Contractual Integrity

Vendor is willing to put a part of their fees "at risk" as a guarantee.





**Validation Expiration: September 2024**

# CERTIFICATE OF VALIDATION

---

<b>Applicant:</b>	<b>Prescriptive Health</b> 8620 154th Ave NE, #100, Redmond, Washington 98052, US
<b>Product:</b>	Prescriptive Health Client contract
<b>Claim:</b>	Prescriptive's model contract submitted in October 2022 meets the Validation Institute standards for transparency.
<b>Validation Achieved:</b>	<b>Validated for Contractual Integrity</b>
<b>Validation Award Date:</b>	February 2023

---

**Linda K. Riddell, MS**  
**Chief Data Scientist**  
**Validation Institute**

---

**Benny DiCecca**  
**Chief Executive Officer**  
**Validation Institute**





# About Validation Institute

---

**Validation Institute** is a professional community that advocates for organizations and approaches that deliver better health value - stronger health outcomes at lower cost. We connect, train, and certify health care purchasers, and we validate and connect providers delivering superior results. Founded in 2014, the mission of the organization has consistently been to help provide transparency to buyers of health care.

## Validation Review Process

Validation Institute has a team of epidemiologists and statisticians who review each program. The team focuses on three components:

- Evidence from published literature that a similar intervention had similar results.
- The reliability and credibility of the data sources.
- The rigor of the approach to calculating results.

To achieve validation, the program has to satisfy each of these components. VI's team then summarizes the review into a report which is publicly available. Details of VI's review are available with the program's permission.

