

Response from Vt. Department of Human Resources re PBMs and contract

Chair Lippert and Vice Chair Pearson,

Commissioner Spellman asked me to get back to the Committee regarding its question regarding why the State contracts with Express Scripts as its pharmacy benefit manager (PBM) rather than through Blue Cross Blue Shield (which contracts with Express Scripts to administer its PBM). The State did entertain that option, however, the bid from Express Scripts was superior in regard to discounts and general costs. This is largely because a contract with Express Scripts allows the State to negotiate directly with its PBM rather than through a third party.

I hope this helps. We would be happy to clarify further if necessary.

Best,

Tom

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