Prime Therapeutics to provide specialty pharmacy benefit management to the Federal Employee Program

Three-year contract adds 5.4 million members to the Blue Cross and Blue Shield-owned PBM

EAGAN, Minn. – March 31, 2017 – Prime Therapeutics LLC (Prime), a pharmacy benefit manager (PBM) owned by Blue Cross and Blue Shield companies, announced today it has been selected to manage the specialty pharmacy benefit for the Federal Employee Program (FEP®). The three-year agreement, effective Jan. 1, 2018, includes 5.4 million federal employees, retirees and their families.

Prime will process claims and provide clinical support for FEP members, who fill an estimated 400,000 specialty prescriptions each year. Specialty drugs are the high-cost biologic medicines used to treat rare, complex or chronic conditions such as multiple sclerosis, auto immune disorders and cancer. They account for $5 billion in annual FEP spending on prescription medications.

The Blue Cross Blue Shield Association (BCBSA) manages the FEP, which is also known as the Blue Cross and Blue Shield Service Benefit Plan. The 36 individually licensed health plans of BCBSA are the primary points of contact for FEP members.

“Prime offered the most competitive bid as well as extraordinary care management and member experience capabilities,” said William A. Breskin, senior vice president, government programs for Blue Cross and Blue Shield Association.

Prime serves more than 20 million members nationally through nonprofit BCBS Plans in 17 states, employer groups and government programs. On Aug. 29, 2016 Prime and Walgreens announced an alliance to create a combined specialty central pharmacy and home delivery company serving all 50 states and the District of Columbia.

“Specialty drugs can be life saving, but when they average $300,000 annually, these drugs can be out of reach for many who need them. It’s critical to have a PBM that has a view of total drug cost management – both medical drug costs and pharmacy costs,” said Jim DuCharme, Prime president and CEO. “I look forward to working with FEP to provide superior coordinated care that helps federal employees, retirees and their families manage these expensive medicines and improve their overall health.”

About Prime Therapeutics

Prime Therapeutics LLC (Prime) helps people get the medicine they need to feel better and live well. Prime manages pharmacy benefits for health plans, employers, and government programs including Medicare and Medicaid. The company processes claims and delivers medicine to members, offering clinical services for people with complex medical conditions. Prime serves more than 20 million people. It is collectively owned by 14 Blue Cross and Blue Shield Plans, subsidiaries or affiliates of those plans. For more information, visit www.primetherapeutics.com or follow @Prime_PBM on Twitter.

About Blue Cross Blue Shield Association

Blue Cross Blue Shield Association is a national federation of 36 independent, community-based and locally operated Blue Cross and Blue Shield companies that collectively provide healthcare coverage for one in three Americans. For more information on the Blue Cross Blue Shield Association and its member companies, please visit BCBS.com. We encourage you to connect with us on Facebook, check out our videos on YouTube, follow us on Twitter and check out the BCBS Blog for up-to-date information about BCBSA.

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