

Everyone deserves a pharmacy benefits upgrade

Working better and smarter for patients, plans and pharmacies.



Current pharmacy pricing complexities

Americans are still faced with
high prices set by drug companies.

Lack of predictability and transparency for
plans and patients are an **ongoing challenge**.

60%

of consumers define transparency as
knowing costs in advance and having
the ability to compare prices

1 in 3

employers are concerned about the
lack of transparency in manufacturer
drug costs and profit margins

Sources: Evernorth Health Services. (2024-2025). Annual Buyer Insights Study.
Evernorth Health Services. (2024-2025). Understanding What Drives Perceptions of PBMs.



We're committed to meaningful change

Together with our partners, we're committed to lowering drug costs for Americans and driving predictability for plan sponsors.

Greater transparency into the economic value PBMs deliver



Ensuring patients pay the lowest out-of-pocket cost at the pharmacy counter



Simplified personalized patient support and navigation



Clinical coordination and safety checks for managing multiple chronic conditions



Providing individualized, connected digital solutions to members



Improving health and optimizing the total cost of care

A new era of pharmacy benefits services



Plans

- + Simplified and transparent rebate-free model
- + Simpler, clearer, more direct path for procuring medications—with greater financial predictability
- + Deeper insights into drug costs



Patients

- + Automatically finds the lowest price for medicine—whether it's their copay, our negotiated discount, or the cash price
- + Applies the cost of covered medications to patients' deductibles
- + Includes robust clinical support and safety checks with every prescription fill



Simplified and transparent rebate-free model

A long-term strategy calls for moving away from the complicated rebate system toward a new model where discounts negotiated with drug companies are offered to the member at the point of sale. Pharmacy benefit services will now be paid for through an administrative fee.

FROM



Rebate and
discount guarantees

TO



Simple and transparent
administration fee for
Pharmacy benefit services



Where patient care meets plan performance

We're making moves to **improve patient health, affordability, and experiences.**

A more intuitive, connected digital member experience



Patients automatically pay the lowest possible cost when they pick up a prescription, whether the cash price or our negotiated price



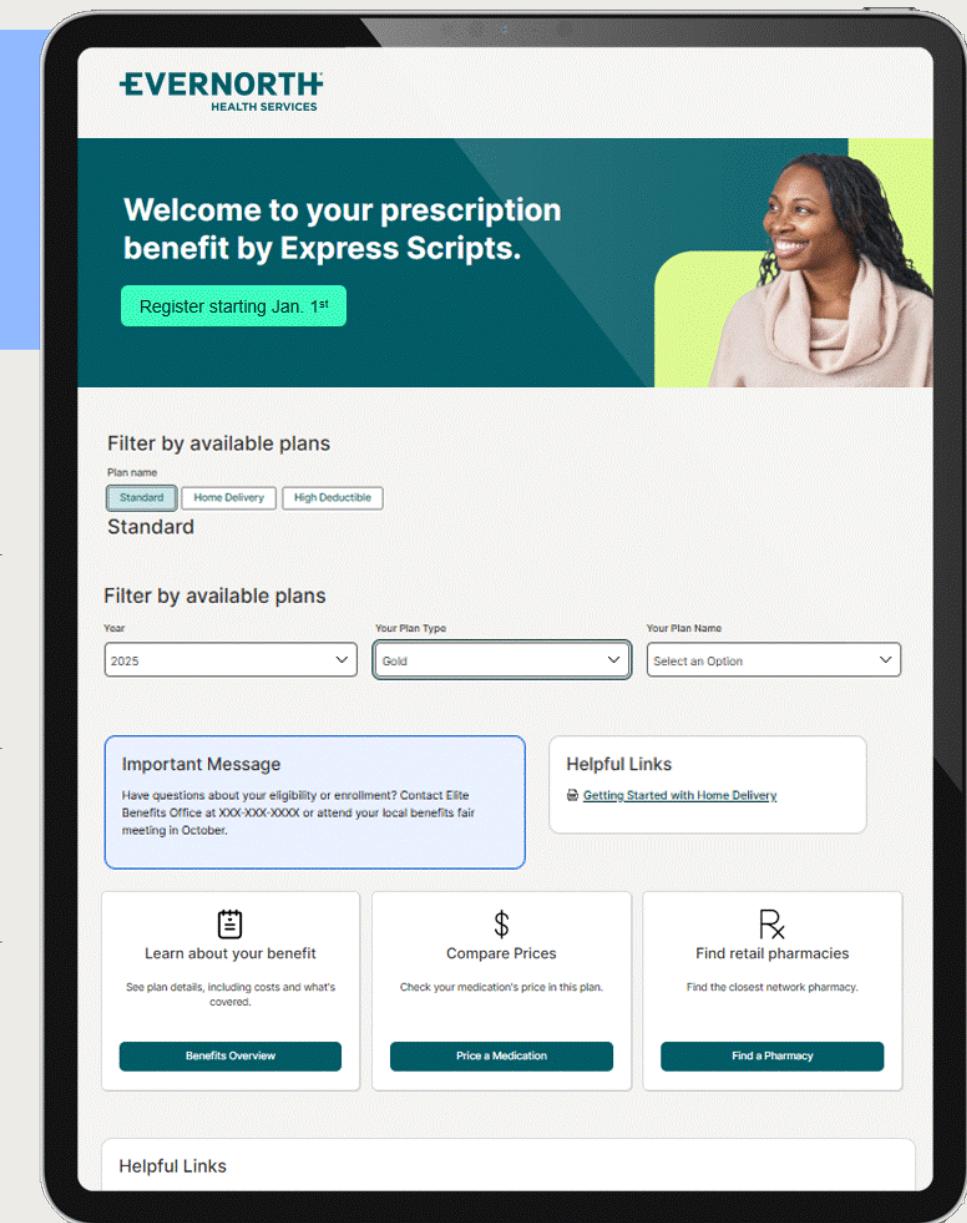
The amount paid also applies to members' deductibles for medications covered by the plan



Critical clinical and safety checks still included



Personalized support and tailored digital tools



Giving millions of Americans more savings, more control, and more choice

In this new era of lower, more sustainable pricing for brand-name drugs, Express Scripts will transition toward a new model where discounts negotiated with drug companies are offered up front to the purchaser of drugs.

In the new model, if a patient's medicine has these **payment options**:

An Express Scripts
negotiated price of \$22
(70% off the list price)

A cash discount price of \$20

A drug company's "direct-to-consumer" price of \$50

A copay
of \$25

Then the patient would pay \$20, because it's the lowest of the four options.

The amount paid also applies to members' deductibles for medications covered by the plan.

Retail architecture

A network based on transparent market cost and supporting your most desired performance metrics



PROVIDER

Cost

- + Cost files driven by pharmacy's scale
- + Transparent, drug level, third-party verified

01 Large/publicly traded companies

02 Mid-sized (regional chains)

03 Small (chains and indies)

Plus

- + Dynamic dispensing fee (DF) and other payment bases
- + Pharmacy performance package options

PHARMACY CONDITIONS

Network access, urban/desert, remote high-cost MSA, independent pharmacy practice capabilities and specialty



PHARMACY PERFORMANCE

Clinical performance, operational performance, pharmacy and ESI data services



CLIENT OFFERING



Retail architecture

A network based on transparent market cost and supporting your most desired performance metrics.

CLIENT OFFERING

- + **Transparent costs** with a dynamic dispensing fee
- + **Holding pharmacies to higher standards** through performance incentives

Cost + DF + Performance

Higher performing pharmacies
mean happier, healthier patients.



Thank you

Appendix

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Core elements of the base offering

PMPM guarantee impact will need to be addressed if changes are made to the base offering



*Core elements included in the admin fee
Additional solutions and/or buy-ups to be included under Clinical Fees*

Trend Management Solutions

National Preferred Formulary (Default)

AUM - Advantage Package with buy-up fees for Advantage Plus or Unlimited Packages

Compound Management

Concurrent DUR

Cost Exceeds Max

EncircleRx – Diabetes and Weight Loss
(if covered); buy-up fees apply for alternate options

SafeGuardRx

Simply Save Rx: DAW9, High Cost Generic Management, Drug Conversion Programs, Formulary Benefit Management (only applicable to clients that adopt an open formulary design)

Patient Affordability & Experience

Exclusive Accredo

Patient Assurance Program

Price Assure

Refill too Soon

Lower consumer cost share when patient OOP cannot exceed net cost of the drug

Enhanced digital capabilities including real time price access under Price A Med tool

Patient access support with personalized help from clinicians to remove access barriers and ensure timely, optimized therapy across channels