Ringmaster®

PBM Evaluation *Checklist*

A stronger PBM recommendation starts before the quotes come back. Use these four checkpoints before you issue an RFP, while you evaluate offers, and before the recommendation goes to the client.



Note: This checklist is a practical starting point, not an exhaustive evaluation of every plan or contract.

1. Setting the Baseline

Data to establish before the RFP goes out.

Independent third-party source established for average wholesale price (AWP) and drug-classification data.

Claims data checked for completeness, consistent drug identifiers, duplicates, and accurate mapping of ingredient cost, dispensing fees, rebates, and plan-paid amounts.

The client's current formulary, clinical criteria, and key utilization drivers documented, including high-cost categories.

Current contract reviewed for pricing definitions, guarantees, and exclusions.

A common baseline documented for population, plan design, trend, formulary effective dates, and pipeline-drug assumptions.

The client's cost, access, and member experience priorities documented before strategies are evaluated.

2. RFP Requirements

The information to require from every bidder.

Actual formulary and tier placement supplied, with preferred and excluded drugs identified.

Definitions and classification logic supplied for brand, generic, specialty, limited distribution, and other categories affecting pricing or guarantees.

Clinical criteria and program requirements documented, including prior authorization, step therapy, and diagnosis or qualification requirements.

Assumptions behind channel mix, clinical-program uptake, and utilization-management approval rates disclosed.

Fees, rebate terms, and direct and indirect compensation disclosed in writing for review before signing, extending, or renewing a contract.

Guarantee measurement basis, exclusions, carve-outs, aggregation rules, applicable caps, and remedies documented.

Each bidder asked which claims would be covered, redirected, or excluded under its formulary and clinical criteria, and why.

A vague answer is information, too.



3. Verification Before Accepting Quotes

What has to be true before the numbers mean the same thing.

AWP baseline checked against the independent source, using consistent benchmark dates.

Definitions and drug classifications translated onto a common comparison basis; differences affecting pricing or guarantees identified.

Formulary placement and clinical criteria reviewed for the relevant drugs and categories, with material differences in expected utilization identified.

Population, plan-design, trend, and other projection assumptions applied consistently; material channel-mix and program-uptake assumptions documented.

Clinical-program effects modeled against the client's actual utilization, including at least one relevant high-cost category, rather than accepted only as listed capabilities.

Clinical criteria and utilization assumptions aligned or normalized for comparison, with actual PBM-specific differences modeled transparently.

Price differences separated from the expected effects of drug mix, utilization, and program assumptions.

Normalize utilization first. Then compare price.

4. The Defensibility Test

What to confirm before the recommendation goes to the client.

The recommendation explains why one PBM is expected to produce a different total spend, beyond a better rebate or deeper discount.

The expected economic value is weighed against changes in member access, treatment, or experience.

The assumptions most likely to change the result are identified, with reasonable alternatives modeled where appropriate.

Projected outcomes are distinguished from contractual commitments, including which risks the PBM takes on and which remain with the plan.

Agreed definitions, program commitments, guarantees, exclusions, measurement rules, and remedies are documented in the contract.

Source data, assumptions, and the decision rationale are retained so the recommendation can be explained, including when actual results differ from the projection.

Responsibility, timing, and required data are identified for monitoring performance and reconciling contractual guarantees after placement.

Make That Standard *Repeatable*

Applying these checks consistently across claims files, formularies, and competing bids takes more than a spreadsheet. LinQ gives brokerage teams a consistent way to bring independent data, common definitions, and utilization assumptions into the same evaluation before the financial comparison is built.

Get a Pre-Market Analysis

