

Today's Member Experience: What Benefit Managers Need To Know

New Research Reveals What Members
Think About Their Pharmacy Benefits

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Pharmacy Benefits Are Important To Employee Recruitment And Retention

Employees expect their pharmacy benefits to evolve with their healthcare needs, providing an affordable and seamless customer experience. CVS Caremark commissioned Forrester Consulting to explore how employees experience their pharmacy benefits and found that strong pharmacy benefits can influence both employee recruitment and retention. In fact, 74% of respondents are likely to stay at their company for the foreseeable future based on their pharmacy benefits, and 79% consider or might consider pharmacy benefits when accepting a job offer.

The findings indicate that benefits managers and the plan sponsors they work on behalf of are doing their job well, as 66% of members are satisfied with their pharmacy benefit manager (PBM).¹ But there is opportunity to increase that number by focusing on rapidly evolving health conditions and costs for out-of-pocket medication.

Key Findings



Employees are satisfied with their PBM and believe their benefits help them feel healthier. However, as health needs change, members have challenges finding coverage for evolving areas of medication.



Employees are looking for streamlined experiences. Sixty percent of respondents prefer a single pharmacy benefit provider for all of their prescriptions.



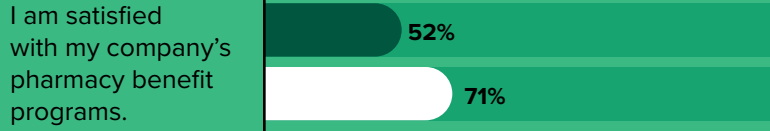
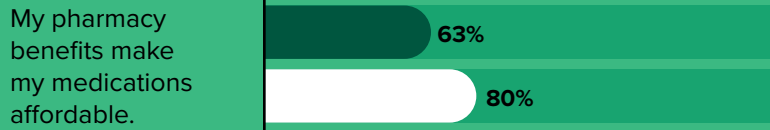
Benefit managers should focus on both coverage for evolving areas of treatment and a streamlined customer experience, as members consider their pharmacy benefits when accepting or staying at a job.

Comprehensive Pharmacy Benefits Are A Must-Have

Pharmacy benefits are more than just an employee perk. Sixty-six percent of respondents said they were satisfied with their PBM, and 72% said that their pharmacy benefits help them feel healthier. That's close to three-fourths of the workforce that recognizes the health benefits of an effective PBM. It behooves benefit managers to increase this number closer to 100%, as respondents who recognize the health benefits of their PBM are more likely to say they are satisfied with their company's pharmacy benefit programs. Further, respondents who recognize the health benefits of their PBM are more likely to say their pharmacy benefits make their medications affordable.

Members Believe Pharmacy Benefits Help Make Them Feel Healthier

● Other ● My pharmacy benefits make me feel healthier.



Base: 770 members who receive or are aware of pharmacy benefits offered through their employer/insurance; 555 selected "My pharmacy benefits make me feel healthier" while 215 selected "Other"
 Note: Showing top 3 responses
 Source: A commissioned study conducted by Forrester Consulting on behalf of CVS, October 2023

PBMs Must Evolve With Health Conditions

In order to increase overall satisfaction with PBMs, benefit managers should focus on members' biggest challenges. Our member respondents said the main challenges with their current PBMs are rising out-of-pocket costs and finding coverage for evolving areas of medication and treatment.

PBMs and benefit managers need to partner up to tackle these challenges, which include medications that help with weight loss, fertility, and diabetes. Forrester surveyed 216 benefit managers who are responsible for selecting and managing their PBM, and only 28% said they selected coverage for such conditions. Without coverage for evolving areas of medication, the out-of-pocket cost is high, and the average member is priced out of better health outcomes.

Member Challenges With Pharmacy Benefits

37%

Rising out-of-pocket cost of prescriptions



30%

No coverage for evolving areas of prescription medication and treatments (such as weight management drugs and fertility treatments)

28%

of benefit managers said their PBM offered coverage for such conditions.*

Base: 770 members who receive or are aware of pharmacy benefits offered through their employer/insurance
 *Base: 216 benefits managers and/or administrators with responsibility for evaluating, selecting, and implementing pharmacy benefit programs at their organization
 Note: Showing top 2 members' responses
 Source: A commissioned study conducted by Forrester Consulting on behalf of CVS, October 2023

PBM Features: Members Prefer A Single Provider

In addition to focusing on member challenges, PBMs should meet members where they are, enabling them to fill prescriptions using their preferred method, coordinating care with the provider and pharmacy, and controlling cost. Surveyed members said that their PBM includes these characteristics: 72% are able to receive their prescription how they choose, 64% are able to connect with their pharmacy via their PBM, and 59% have access to programs that make their medications more affordable.

For members, simplicity is key. Sixty percent of respondents prefer a single PBM for all of their prescriptions. Dealing with one PBM creates a more seamless experience for the member.

Top Benefits Included In Member's PBM

72%



Ability to receive my prescription how I choose (e.g., mail order or retail pharmacy)

64%



Ability for my provider to connect with my pharmacy and vice versa (e.g., my doctor sends my prescriptions to the pharmacy electronically)

59%



Programs that make my medications and treatments more affordable

60%

of respondents prefer a single pharmacy benefit provider for all of their prescriptions.

Pharmacy Benefits Affect Employee Acquisition And Retention

Members expect their PBMs to provide a streamlined customer experience and coverage for evolving areas of treatment at an affordable cost. It is important that benefit managers consider their employees' needs because members are evaluating PBM benefits as part of their employment decisions. Our survey found that:

- **Seventy-nine percent** of respondents consider, or might consider, pharmacy benefits when accepting a job.
- **Seventy-four percent** of respondents are extremely likely, or likely, to stay at their company for the foreseeable future based on their pharmacy benefits.
- **Fifty-eight percent** of respondents are extremely likely, or likely, to recommend a job at their organization based on their pharmacy benefits.

Pharmacy benefits are a critical aspect of the benefit package and, as such, affect your talent pool. Benefit design and the communication thereof are of paramount importance.

Effect Of Pharmacy Benefits On Employees

79%

of respondents consider or might consider pharmacy benefits when accepting a job.

74%

of respondents are extremely likely or likely to stay at their company for the foreseeable future based on their pharmacy benefits.

58%

of respondents are extremely likely or likely to recommend a job at their organization based on their pharmacy benefits.

Conclusion

Pharmacy benefits contribute to improved employee retention and health outcomes. We learned that 74% of respondents are likely to stay at their company for the foreseeable future based on their pharmacy benefits, and 72% say their benefits help them feel healthier. Knowing this, benefit managers must address members' top challenges by:

- **Clearly communicating the breadth and depth of pharmacy benefits.** Members who see their needs reflected in the benefit design are more likely to take advantage of those features, leading to better health outcomes, lower costs, and higher employee retention.
- **Partnering with their PBM to understand what's possible.** PBMs adapt and innovate as the market and health needs evolve. Collaborate with your PBM to proactively address employees' needs and leverage the PBM's scale for future improvements.

Endnotes

¹ A **pharmacy benefit manager (PBM)** refers to the company provided by your employer that offers prescription benefits (e.g., CVS Caremark, Express Scripts, etc.); a **member** refers to an employee that accesses pharmacy benefits through their employer — filling at least one prescription a quarter.

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Demographics

REGION	
US	100%

TOP FIVE INDUSTRIES	
Financial services and/or insurance	8%
Manufacturing and materials	8%
Technology and/or services	8%
Retail	7%
Healthcare	7%

COMPANY SIZE	
1,000 to 4,999 employees	52%
5,000 to 19,999 employees	32%
20,000 or more employees	15%

RESPONDENT LEVEL	
C-level executive	5%
Vice president	10%
Director	14%
Manager	26%
Individual contributor	36%
Outside consultant	10%

HOW MANY PRESCRIPTIONS DO YOU FILL ON A MONTHLY BASIS?	
1	33%
2	27%
3	18%
4	12%
5+	10%

Note: Percentages may not total 100 due to rounding.

Methodology

This Opportunity Snapshot was commissioned by CVS Caremark. To create this profile, Forrester Consulting supplemented this research with custom survey questions asked of PBM purchasers and members in the US, currently at companies with 1,000-plus employees. The custom survey began and was completed in October 2023.

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The background is a dark, monochromatic composition of various geometric shapes, primarily triangles and quadrilaterals, creating a faceted, crystalline effect. The colors range from deep charcoal to a slightly lighter, muted brownish-grey. The lighting is subtle, highlighting the edges of the shapes and creating a sense of depth and shadow. The overall aesthetic is modern, sophisticated, and architectural.

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