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Insurance | Risk Management | Consulting



Gallagher's Pharmacy Benefit Management Consulting Practice

With prescription drug spend driving healthcare costs, organizations need to evaluate how to get the most out of their pharmacy benefit.

From 2021 to 2023, pharmacy spend is projected to increase by an average of **5.4%** per year and increase to **5.9%** per year from 2024 to 2028.¹ This trend is driven by many factors, including but not limited to price inflation of new-to-market therapies, expanded use of existing therapies and an aging population.



Pharmacy represents
25%–35%
of healthcare dollars and rising.²

Pharmacy is the most frequently utilized healthcare benefit.
Typically

78%–80%
of the population use prescription drugs.²

3%–4%
of a population drive
50%–60%
of total pharmacy costs.³

Lack of transparency and shoddy contracts with vendors can drive costs up by

20%.⁴

¹Gallagher, "Benefits Strategy & Benchmarking Survey," March 2021.

²IQVIA Institute, The Use of Medicines in the U.S.: Spending and Usage Trends and Outlook to 2025, May 2021.

³The Use of Medicines in the U.S.: Spending and Usage Trends and Outlook to 2025.

⁴Internal Gallagher company data.

