

CONTRACT X-RAY™

Fiduciary-Aligned PBM Contract Standards

www.nautilushealth.org/PBM

THE CHALLENGE

Employers spend billions annually on pharmacy benefits, yet most lack the tools to evaluate whether their contracts are compliant with laws and regulations and actually protect plan participants. Pharmacy Benefit Management (PBM) contracts can be complex, opaque by design, and riddled with provisions creating misaligned incentives. Individual employers negotiating in isolation face a structural disadvantage where they can't benchmark what "good" looks like because no standard exists.

WHAT IS CONTRACT X-RAY?

Contract X-Ray is an AI-powered contract analysis service developed by the Nautilus Health Institute. It evaluates PBM contracts against **Fiduciary-Aligned PBM Contract Standards**. It includes a comprehensive framework of 35 issues across 10 key provisions aligned with the Consolidated Appropriations Act (CAA) of 2026, the most impactful PBM reform in a generation.

HOW IT WORKS

1 SEND Email your PBM contract to Nautilus. If your PBM requires an NDA, we can sign one electronically.	2 ANALYZE Our AI analysis tool evaluates the contract against 35 issues across 10 provisions using calibrated scoring rules.	3 DELIVER Receive a suite of reports including a one-page triage snapshot to detailed negotiation guidance.
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WHAT WE EVALUATE

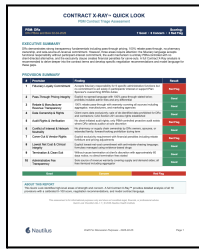
Fiduciary-Aligned Provisions

1. Fiduciary Loyalty Commitment	6. Pharmacy Ownership & Neutrality
2. Pass-Through Pharmacy Costs	7. Carve-Out & Vendor Rights
3. Rebate & Manufacturer Revenue	8. Lowest Net Cost & Clinical Integrity
4. Data Ownership & Access	9. Termination & Clean Exit
5. Audit Rights & Extrapolation	10. Administrative Fee Verification

Each analysis produces a coordinated suite of reports ranking each provision on a scale of 1-10 and assigning an overall score of 0-100 with color-coded ratings revealing exactly where a contract protects plan participants and where it falls short. Scoring is based exclusively on explicit contract language, not business practices, marketing claims, or verbal commitments. Reports build on each other, starting with a quick triage snapshot to detailed negotiation guidance, so every stakeholder gets the right level of detail for their role.

Excellent (90+)	Good (75-89)	Fair (60-74)	Concern (45-59)	Red Flag (<45)
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CONTRACT X-RAY™ REPORTS



QUICK LOOK — One-page triage report

A fast, ten-question assessment categorizing each provision as Good, Concern, or Red Flag. Designed for initial screening to determine whether a contract warrants a full analysis.

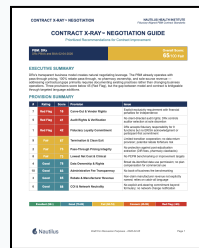
Audience: Executive leadership, procurement teams



SCORECARD — One-page visual summary

The complete 35-issue evaluation condensed to a single page. Shows the overall 0–100 score, provision-by-provision breakdown with color-coded ratings, and key findings. The executive dashboard for contract quality.

Audience: C-suite, benefits committee, board



NEGOTIATION GUIDE — Multi-page gap analysis

Detailed analysis of each provision gap with specific contract language recommendations, talking points for PBM conversations, and a before-signing checklist. Turns scores into actionable negotiation strategy.

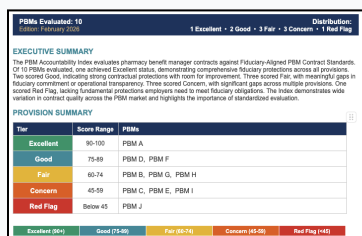
Audience: Employers, brokers, legal counsel



COMPARISON REPORT — Side-by-side contract analysis

Compares two contract versions to show what improved, what regressed, and what critical gaps remain. Used to validate negotiation outcomes or evaluate competing PBM proposals during procurement.

Audience: Employers, brokers, PBMs, legal counsel



Tier	Score Range	PBM
Excellent	90-100	PBM A
Good	75-89	PBM D, PBM F
Fair	60-74	PBM G, PBM H
Concern	45-59	PBM C, PBM E, PBM I
Red Flag	Below 45	PBM J

PBM ACCOUNTABILITY INDEX — PBM Contract Ratings

A public rating system scoring PBM contracts on a five-tier scale. The Index creates market-wide transparency enabling employers to compare PBM contract quality and PBMs to market strong ratings as competitive credentials.

Audience: Employers, brokers, PBMs, legal counsel

Visit www.nautilushealth.org/PBM for more details