

HR 971: Support the Community Pharmacy Fairness Act!

Legislation gives independents leverage against take-it-or-leave-it contracts

The unchecked, unregulated and abusive practices of Pharmacy Benefit Managers (PBMs) have gone on for too long. We have watched for years as **patients have lost access and lost choices**, and have seen how these corporate middlemen are driving the costs of prescription medicines ever higher.

PBM practices have hurt patients in ways large and small:

Patients and Pharmacists struggle with substantive and procedural problems:

- Shrinking and shifting formularies (list of drugs covered) restrict a patient's treatment options
- Lack of uniformity and completeness of information on prescription drug cards create aggravating delays for patients and their pharmacists
- Redundant pre-authorization hassles generate endless red tape for patients to obtain refills or formulary-restricted prescriptions

PBMs Disenfranchise Patients, Pharmacies and Employer Health Plans:

- Specially-prepared prescriptions are becoming harder to get filled as Compounding Pharmacists are forced out of business by abusive PBM audits
- 90-day prescriptions are more difficult to get filled as many PBMs insist patients get their 90-day supplies via mail order (Did we mention that the PBM owns the mail-order pharmacy?—a conflict of interest.)
- Valuable manufacturer rebates are not passed along to consumers, oftentimes there are large PBM “administrative fees” charged as well

PBMs Engage in Unfair Billing Practices:

- PBM mail-order facilities have bulk-purchasing power, but can also repackage drugs and name their own price, disenfranchising the local pharmacist, the patient, and the employer's health plan
- PBMs will routinely bill the employer for more than they pay the pharmacy, pocketing the difference

Patient Care Suffers as PBMs focus on their own Financial Gain:

- PBMs switch patients to more expensive, inappropriate drugs (sometimes from generics to brand-name) based not on the patients' health care status, but on the PBMs' financial interest. They have a vested interest in having patients take those drugs for which the PBM receives the greatest manufacturer rebate.
- One-on-one pharmacist counseling on effective prescription use which keeps patients out of emergency rooms and nursing homes is of little value to PBMs who, in practice, regard pharmacists as little more than pill-counters, and regard patients as “lives”

The legislation:

- Allows independent pharmacies, defined as pharmacies not owned or operated by a publicly traded company, the same leverage that much larger chains enjoy when negotiating their Medicare Part D and other third-party contracts. This levels the playing field and will reveal how PBMs overcharge their customers for prescription drugs.
- This bill does not require government funding. It simply affords the opportunity for community pharmacy to get a better deal for their patients by entering into business negotiations with the PBMs.

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