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Pharmacists turn to lawmakers to level playing field on reimbursements

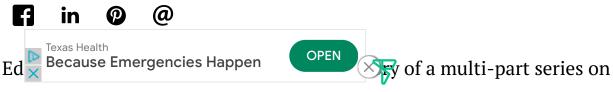
By Glenn Evans gevans@weatherforddemocrat.com Jul 2, 2024



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Clearfork Pharmacy owners Steve and Temple Baldridge flank their pharmacy tech son, Maten, inside their Brock business. Glenn Evans | Weatherford Democrat



challenges rural pharmacies are facing.

Protesters descended on Saint Louis, Missouri, a few weeks ago. They'll muster in Minnesota in September.

Who are these people? Modern day hippies?

"Absolutely," Brandi Chane said, after acknowledging she and America's pharmacists might not fit the protester stereotype but do share the goal of all sign-toting, angry movements.

"We're not going to change their practices by having these protests," she said, referring to behind-the-scenes entities controlling their prescription reimbursements. "But we're going to bring attention by putting this in the spotlight."

Few, if any, people who bring a doctor's prescription to the drug store are aware of Pharmacy Benefit Managers. PBMs can be described as a middle-man working in tandem with insurers to establish what drugs are available — and what the insurance companies pay drug makers.

"There's a lot of push-back from pharmacies of all kinds, independent and chain pharmacies for PBM reform," Clearfork Pharmacy co-owner Steve Baldridge said. "Because the amount of reimbursement that most pharmacies are seeing is not good."

The Brock pharmacist said he and his peers know they are up against a bureaucratic Goliath.

"It's one of those systems that's so big it's difficult to get any change done," he said.

The three Pharmacy Benefit Managers, processing 80 percent of prescriptions, are CVS Caremark, Express Scripts and Optum Rx. The trio of PBMs are respectively owned by Aetna Health Insurance, Evernorth Health Services and United Health Care.

Chane has spoken about PBMs with Texas Attorney Gen. Ken Paxton. He is one of 39 attorneys general who sent a letter to Congress in February urging PBM discussion and reform.

There are five House Resolutions pending in Congress, all filed by U.S. Rep. Earl L. "Buddy" Carter, R-Georgia, himself an independent pharmacy owner.

Fellow Republican and local congressman, U.S. Rep. Roger Williams of Weatherford, was a yes vote on Carter's House Resolution 5378.

And Williams is a co-sponsor on H.R. 1613, which bans a deceptive 'discount' calculation, called price spreading, and forces fair Medicaid fee reimbursements to pharmacists.

Price spreading is where drug makers raise their list prices to offset the discounts they give to PBMs.

Insured patients' prescription discounts are based on the full sticker prices drug companies charge, not the lower cost the PBM negotiated.

"It's no longer just about pharmacies," Chane said. "This is about health care in general. What we need is we need the public to speak up and speak out."

Introduced in March 2023 and parked now in a House committee, H.R. 1613 also requires information on price concessions PBMs enjoy be more publicly accessible.

H.R. 5378, Williams' yes vote, passed the House in December 2023.

That measure, among other things, requires PBMs to report spending, rebates and fees on drugs to health plan sponsors twice a year.

It also requires audits of cost and claim information on employer-sponsored health plans involving contracts with PBMs.

A Williams spokeswoman said he is reviewing the other three measures.

Monique Whitney, executive director of the national Pharmacists United for Truth and Transparency, acknowledged the PBM model is complex.

But it's effect on all pharmacies is a simple formula, she said -70 percent of pharmacists' prescription reimbursements arrive at or below the pharmacist's cost to fill it.

"No business can sustain if it can't recoup the cost of goods sold, even if the pharmacy's front end contains aisles of household goods, cosmetics or liquor," Whitney told the *Weatherford Democrat*. "Slashed reimbursements, excessive fees and draconian contracts have led to staff shortages and stressful working conditions at the larger chains, which is why we saw walkouts and protests last year."

Chane said she's spoken about PBMs with the Teachers Retirement System and the Employees Retirement System of Texas.

"They had no idea we were being underpaid," she said, adding St. Louis-based Express Scripts just inked a five-year contract with the health benefit program for Texas retirees. "My job, and everyone's in the pharmacy world, is to educate and help people understand what's happening. Because, if we don't do that, we won't be here.

"All our histories are wonderful to have, but what about our futures?"



Independent local pharmacies at risk as reimbursement environment prompting closures



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	tue 2	WED 3	тни 4	FRI 5	SAT 6	sun 7	MON 8	tue 9	wed 10	тни 11	fri 12

<u>Glenn Evans</u>