



PHARMACISTS UNITED FOR TRUTH AND TRANSPARENCY

CONTACT: Monique Whitney, APR
Pharmacists United for Truth and Transparency
m. (505) 480-4150
Monique@FeliceWhitney.com

FOR IMMEDIATE RELEASE

May 9, 2017

PHARMACISTS UNITED FOR TRUTH AND TRANSPARENCY LAUNCHES #PBMREFORM CAMPAIGN WITH RESOURCES FOR PATIENTS, PHARMACISTS AND TAXPAYERS

Independent Pharmacists Uniting to Spread Awareness of Abusive, Anti-Competitive Business Practices Perpetrated by Large Pharmacy Benefits Management Companies

Phoenix, AZ (May 9, 2017) – Pharmacists United for Truth and Transparency (PUTT) today announced the launch of #PBMReform - a campaign aimed at exposing the facts about how non-transparent Pharmacy Benefits Management companies, or PBMs, create an anti-competitive business environment that ultimately hurts patients and taxpayers by threatening small business and community pharmacies. PUTT, who is calling on Congress to demand transparency from the PBM industry, unveiled a new, multi-media campaign on its website entitled “#PBMReform” to arm patients, taxpayers and pharmacists with information and resources they need to contact their legislators about unfair PBM practices.

“PBMs would have you believe patients and their employers do not want transparency, because transparency would drive up the price of prescriptions. This is classic ‘blame the victim’ mentality,” said Teresa Stickler, PUTT president. “Transparency is critical to understanding how prescription medications are priced and reimbursed, especially when it comes to Medicare. Whether we are patients or taxpayers, we are entitled to understand how our medications are priced, why some are covered by prescription drug plans and others aren’t, and who gets the benefit of rebates and reimbursements.”

Questionable PBM practices PUTT is calling out include:

- **“Clawbacks”** - when the cost of a prescription is less than the co-pay charged to the patient, the insurance company “claws back” the difference, which is then paid back to the insurance company’s PBM. For example, a \$50 prescription drug co-pay on a drug that costs \$12 to fill, would result in a “claw back” of \$38 to the PBM - not the patient, who not only paid the

“discounted” co-pay but also pays a monthly premium for the insurance discount in the first place.

- **DIR fees** - associated with Medicare Part D, DIR stands for “direct and indirect remuneration” and is a type of clawback that artificially inflates the price of medications for seniors - pushing them into the “donut hole”, or the limit on drug coverage that forces participants to pay full price for the medications, much faster. DIR fees hurt the most vulnerable of the senior population, and wreak havoc on small, independent pharmacies, who often experience the clawback long after prescriptions have been filled.
- **Determination of “MAC” lists** - MAC refers to Maximum Allowable Cost” and is the PBM-generated list of products that includes the upper limit or maximum amount that a plan will pay for generic drugs and brand name drugs that have generic versions available. Currently there is no standardization in the industry as to the criteria for the inclusion of drugs on MAC lists or for the methodology as to how the maximum price is determined, changed or updated.

Other anti-competitive actions perpetrated by PBMs include the practice of keeping prescription drug rebates instead of passing the savings on to patients and “gagging” pharmacists by contractually obligating them to keep from disclosing to patients when a lower-priced drug (such as a generic version) is available.

Originally intended to process prescription claims, PBMs portray themselves as helping reduce costs by verifying claims and providing authorizations. However, PBMs are nothing more than the middle men in the pharmacy industry. The largest PBMs have recently been called out on questionable pricing, unfair practices and passing on costs that make it difficult for all, including the largest pharmacy chains, to do business. The result is an un-level playing field that has forced hundreds of independent pharmacies, often serving small and/or rural communities, out of business.

Pharmacists United for Truth and Transparency (PUTT) exists to unify, promote and preserve independent pharmacies through education and access; to monitor PBM and other industry practices which, when identified as abusive, are exposed in various manners in the interest of improving the quality, safety and cost of patient care. For more information about the negative impact of Pharmacy Benefits Management company practices on the cost and accessibility of medications, or to learn more about PUTT, visit TruthRx.org or contact Monique Whitney, (505) 480-4150.

#