PBM Testimony

This is simply observations of a small town Pharmacy Manager who has been practicing for 7 years. I am not going to get in the in-depth details. I just want to point out what I see on a daily basis and how patient care is affected by PBMs.

Pharmacy Benefit Managers that are owned by pharmacies

CVS Caremark

-30 day limit on medications at non-CVS pharmacies, 90 day supplies from both CVS retail and mail order pharmacies.

-Some plans only allow the patient to fill for 2 fills at a non-CVS pharmacy and then they have to fill at a CVS retail or mail order pharmacy.

-For patients in our area this means that instead of filling at one of the three pharmacies in our town, they have to travel 30 minutes away to fill at a CVS.

Mail order pharmacy issues.

-On average 14 days to process and deliver medication to patient. If patient needs a pain medication, antibiotic or new dose of existing medication, the PBMs allow patients to fill a limited to supply at pharmacies not owned by them. (How are these small independent pharmacies to stay open if they only fill short fills until mail order gets there?)

PBMs and their preferred drug list

Example 1: When a brand name medication's patent expires and other companies can start to make that drug as a generic. A lot of PBMs continue to prefer the brand name drug for months or even years after the generic becomes available. This means higher copays for patient if they have medicare, higher cost for our state if they have Medicaid.

Example 2: Kancare MCOs are requiring Cephalexin tablets that cost $350 per 100ct bottle, instead of capsules that cost $8.50 per 100ct bottle.

PBMs can audit us several years after we process a claim and take our money away

-Ex. We bill claim for $300 eye drop, for day supply 12, day supply is actually 13 – all of the $300 is recouped from pharmacy,

-Claim submitted as phoned in order, but it was really faxed to pharmacy – all of the $300 recouped

-Yes, we should do our best to fill claims as accurately as possible, but sometimes those things are up for interpretation and do not affect patient care or safety.

Preferred Pharmacies vs. Non-Preferred Pharmacies– how are they picked??

-Most of the time a preferred pharmacy is a pharmacy that is willing to sign a contract for a lower rate of payment from the PBM, while some preferred networks are based on pharmacy performance, that is the exception not the rule. A preferred pharmacy will have lower copays (or sometimes no copay at all) on medications compared to non-preferred pharmacies. This again can lead to patients being forced to travel miles away from pharmacies in their own town just to find a preferred pharmacy.