"What about Pharmacy Benefits Managers (PBMs)?"

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The Alliance for Patient Access (allianceforpatientaccess.org), founded in 2006, is a national network of physicians dedicated to ensuring patient access to approved therapies and appropriate clinical care. AfPA accomplishes this mission by recruiting, training and mobilizing policy-minded physicians to be effective advocates for patient access.

A 2018 study released from the University of Southern California found that patients overpay for their prescriptions 23 percent of the time.

Politico noted in an August 2018 article: "There's a big target on the backs of pharmacy benefits managers [PBMs] lately with both the drug industry and HHS drawing attention to the role they play in the pricing of medicines."

At the center of the drug pricing policy storm are the pharmacy benefit managers, or PBMs for short. PBMs are the middlemen pervasive in the drug supply chain.

But why are PBMs coming under scrutiny and facing negative reactions from consumers, health care providers, and the Trump administration when it comes to lowering drug costs?

Insurance companies hire pharmacy benefits managers, or PBMs, to handle their drug claims. The PBMs negotiate pricing with drug manufacturers - their discounts and rebates - for the insurance company and decide ultimately what drugs are available to patients through control and development of a plan's drug formulary.

Therein lies one of the issues of concern, that is: the increase of exclusion lists promulgated by PBM-controlled drug formularies.

Last summer, CVS Health - one of the "big three" PBMs, along with Express Scripts and OptumRx (part of UnitedHealth Group Inc) - announced that employers who use its pharmacy benefit management services could cut certain medications from their plan's formulary of approved drugs. This left patients stable (on a prescription drug) potentially unable to access the drug because it was now either too expensive and/or the out-of-pocket cost was too high to be affordable at an off-formulary price. Another concern with limited or tiered formularies is that patients waiting for access to break-through treatments or those with chronic disease could be forced to try a prescription drug that already did not work for them or had been exhausted as a treatment option.

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CVS was not alone in adopting this business practice.

Express Scripts announced later in the same summer that it would drop 242 prescription drugs from its formulary starting in January 2019. On the chopping block were antiretrovirals, drugs for hepatitis C, growth hormones and HIV medications, among others. Express Scripts projected that it would "save" $3 billion this calendar year by excluding these drugs.

Why should patients care?

Because when PBMs developed formularies of fewer and fewer treatments, the patient suffers. Also, newly-discovered treatments lose their value if they are not reaching the patient because of cost controls and formulary restrictions suggested by PBMs.

State Medicaid programs - that directly impact infants and children - are not immune from contracts with PBMs, either. Low-income and minority families may be the most likely to be impacted by PBMs exclusion lists, in that their prescription medications - even generics - may become unaffordable.

If treatments are unaffordable, families from oldest to youngest may go without much-needed treatment.

So what is the cost to the patient?

A patient who goes from being stable to an unstable patient because of a switch in their medication(s) can lead to other consequences, for example - increased visits to doctors and specialists, increased strain on health providers' time and resources, heightened the possibility of urgent care and/or hospitalization.

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PBMs say they are saving money through their role as "middlemen," but the savings do not accrue to the patient. The decisions may be costing covered patients both money and their health. The impact of PBMs on patient care in the current health care system is still unknown, but the consequences of their decisions need to be recognized and evaluated further, for patients of all ages.

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