

Network Pharmacies Save Patients Money

Expanding access to prescription drugs and bringing down costs is a core mission of Pharmacy Benefit Managers (PBMs). One of the ways PBMs do this is by negotiating directly with drug manufacturers to bring down costs for patients. Through these efforts, PBMs save patients an average of \$962 every year.

PBMs work with health insurance providers and employers, such as CalPERS, to develop plans that include pharmacies that demonstrably lower costs for their members.

PBM network pharmacies compete on service, convenience and quality to attract consumers within a particular plan. This competition helps keep the rising costs of prescription drugs down while also prioritizing patient's health and wellbeing. By building networks of pharmacies, patients have convenient access to prescriptions at discounted rates.

Network Pharmacies Promote Patient Health and Safety

In addition to saving patients money, PBMs also monitor prescription drugs safety across all of the network pharmacies, alerting pharmacists of potential drug interactions, even when a consumer uses multiple pharmacies.

Mail Order Pharmacies Lower Costs for Patients

A study by the Centers for Medicare and Medicaid Services (CMS) determined that drug costs were 16 percent lower at mail-service pharmacies compared to brick-and-mortar drug stores.

Mail-service pharmacies not only delivered savings, but actually increased adherence to prescription regimens, resulting in improved health outcomes for patients.

Mail order pharmacies have played a critical role during the COVID-19 pandemic by allowing millions of patients to receive prescriptions directly to their front door.

Unintended Consequences of Anti-Steering Legislation

SB 524 can lead to an increase in drug costs for patients, not to mention a decrease in quality of care for the 36 million California patients served by PBMs.

The proposed measure would also hinder the ability of plans to provide beneficiaries access to lower-cost, preferred pharmacies and mail order.

Legislation that eliminates a health plan's ability to use mail-order programs removes the lowest cost pharmacy option available. Retailers are not offering to lower copays to patients to provide price parity – instead so-called anti-steering legislation puts retail pharmacy profits ahead of patient savings.

