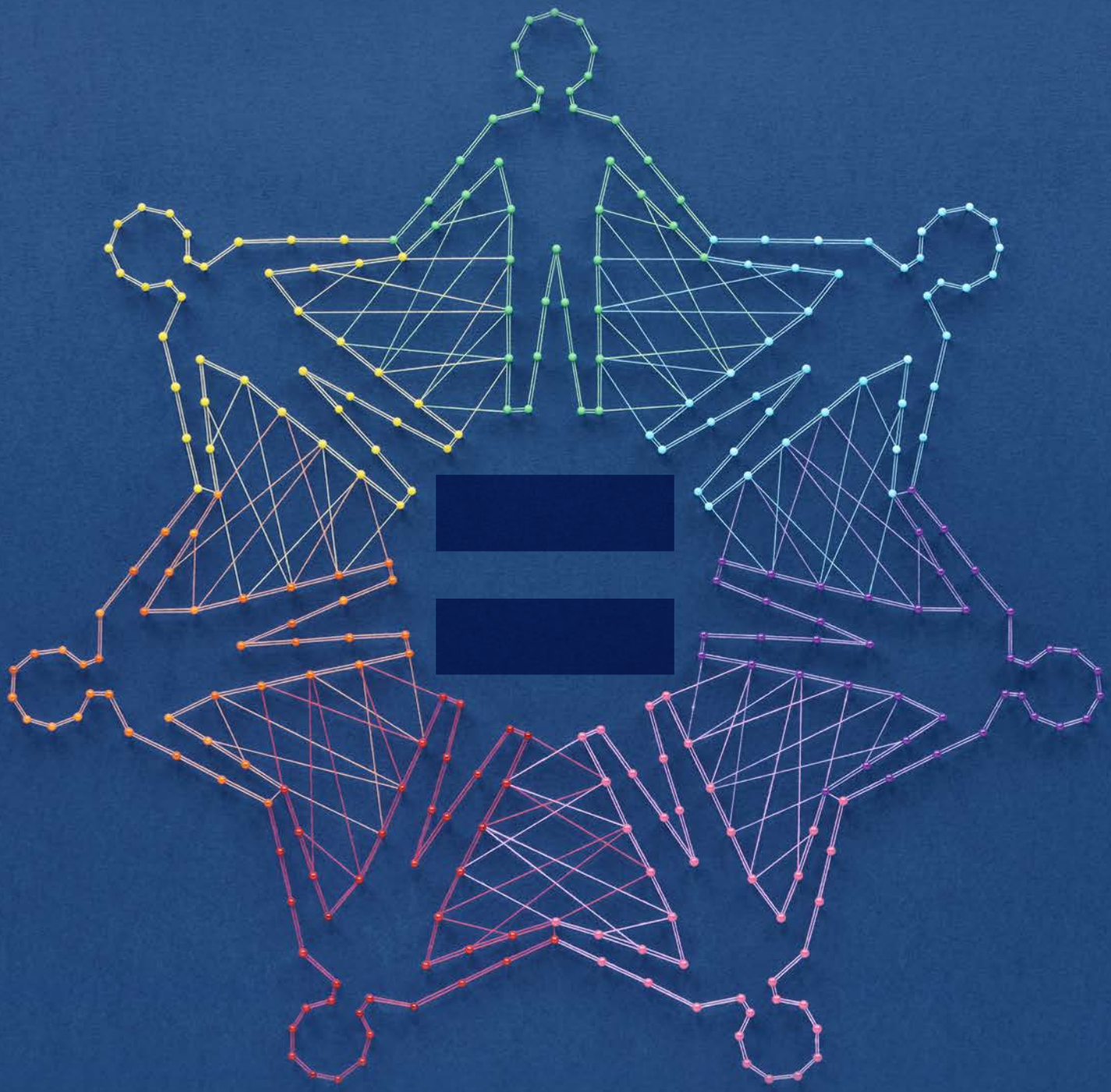
PCMA

Working Together for a More Equitable Health Care System



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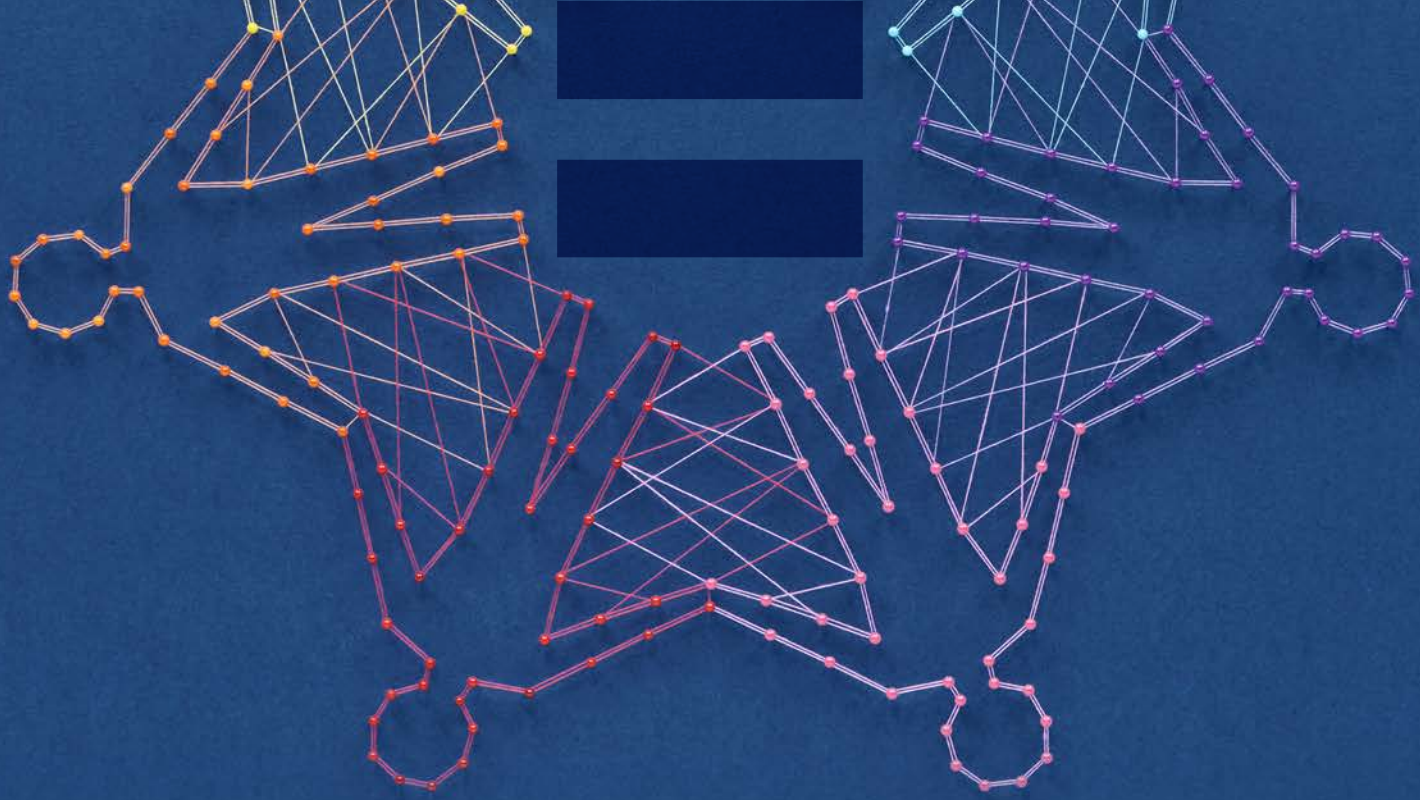


Black, Brown, indigenous, and other communities of color; individuals living with disabilities; and members of the lesbian, gay, bisexual, and transgender (LGBT) community experience a continuum of health inequities and disparities in care. These are complex challenges demanding comprehensive solutions and a sustained commitment.

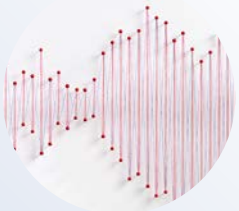
For America's pharmacy benefit managers, PBMs, our mission is simple: INCREASE AFFORDABLE ACCESS TO PRESCRIPTION DRUGS FOR EVERYONE.

Reflecting this commitment, the Pharmaceutical Care Management Association (PCMA) supports collaborative efforts and public policies that promote equitable, affordable, effective, safe, clinically-appropriate, and high-quality pharmaceutical care for everyone. But we know that structural barriers, systemic biases, and a lack of person-centered care can mean that a person's individual characteristics and circumstances can make a big difference in the health care they receive.

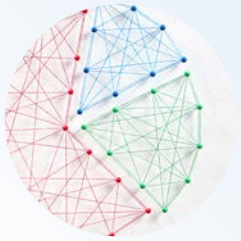
We believe pharmaceutical care should be patient-focused, equitable, and affordable. We commit to taking action as an industry and working together with other stakeholders to support policies that advance a more equitable, patient-centered health care system, lower prescription drug costs, reduce disparities in clinical outcomes, and improve the quality of pharmaceutical care.

ADDRESSING DISPARITIES IN ACCESS, DISEASE BURDEN, AND OUTCOMES

PROMOTING EQUITABLE, AFFORDABLE PHARMACY BENEFIT DESIGN

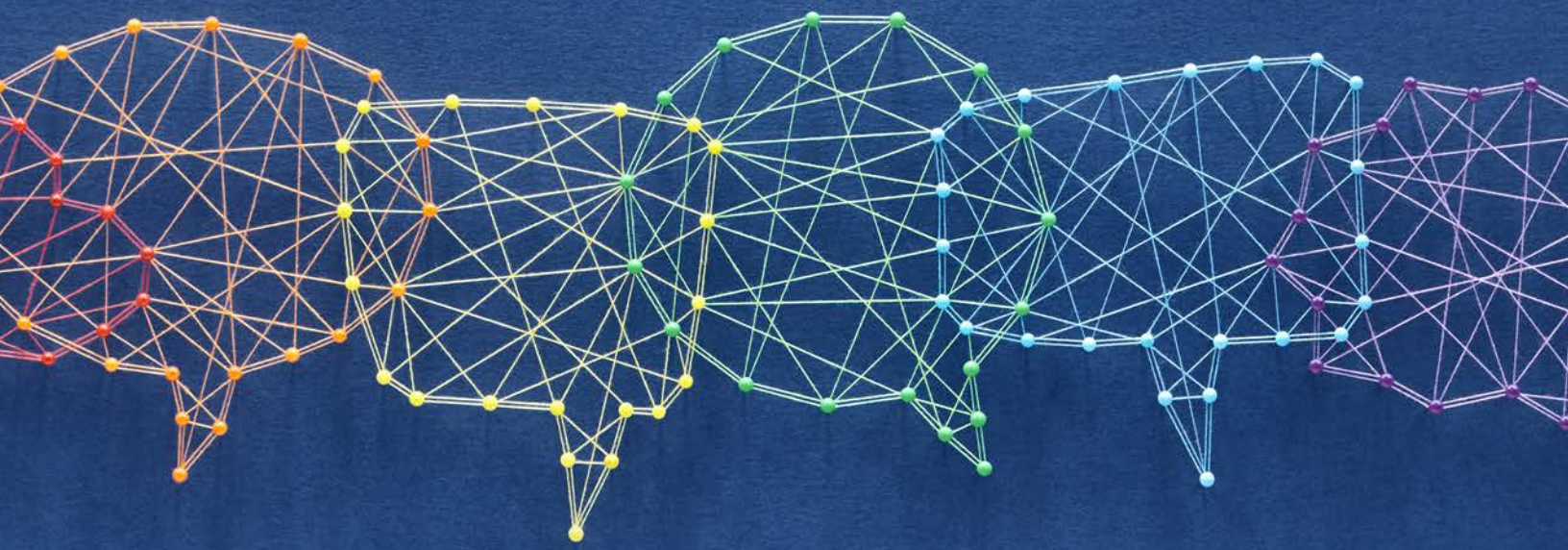


Our vision for a more equitable health care system is built on four patient-centered goals.



INVESTING IN MEANINGFUL DATA, EVIDENCE, AND MEASUREMENT

CREATING A CULTURE OF EQUITY AND PERSON-CENTERED CARE



ADDRESS DISPARITIES IN ACCESS, DISEASE BURDEN AND OUTCOMES

Inequities and disparities affect every aspect of health—from access to care to disease burden to outcomes. Health disparities have been acutely prevalent across American communities. As described in a series of reports prepared for the United Nations Commission on Social Determinants of Health, **health disparities** are rooted in **structural disparities** between and within communities. These are "the conditions in which people live and work and that affect their opportunities to lead healthy lives," which includes "the range of personal, social, economic, environmental, and political factors which determine health status" and outcomes.[1] For example, the main risk factors for noncommunicable diseases (NCDs), like heart disease, are not genetics or exercise, but poverty, employment, and gender and racial disparities.[2]

[1] Labonté and Schrecker, "Globalization and Social Determinants of Health: Introduction and Methodological Background."

[2] See, for example, Durch, Bailey, and Stoto, "Understanding Health and Its Determinants." Braveman and Gottlieb, "The Social Determinants of Health: It's Time to Consider the Causes of the Causes." Commission on Social Determinants of Health and Organization. "Closing the Gap in a Generation: Health Equity Through Action on the Social Determinants of Health.ranging from a precise biomedical or physical definition such as the absence of negative biologic circumstances (altered DNA, abnormal physiologic states, abnormal anatomy, disease, disability, or death"

DEFINITIONS OF DISPARITIES AND EQUITABLE CARE

DISPARITIES
Disparities are the differences in access, clinical outcomes, and quality of care delivered across populations due to social, cultural, economic, political, identity, and other characteristics and experiences.

EQUITABLE CARE
Equitable care ensures we respect, acknowledge, and affirm individual health care journeys by advancing person-centered care and promoting optimal opportunity for each person to access quality care and obtain their full health potential.

Rooted in social determinants of health and worsened by implicit biases and systemic racism, inequities and disparities affect every aspect of health and the health care experience—from access to care to disease burden to health outcomes.

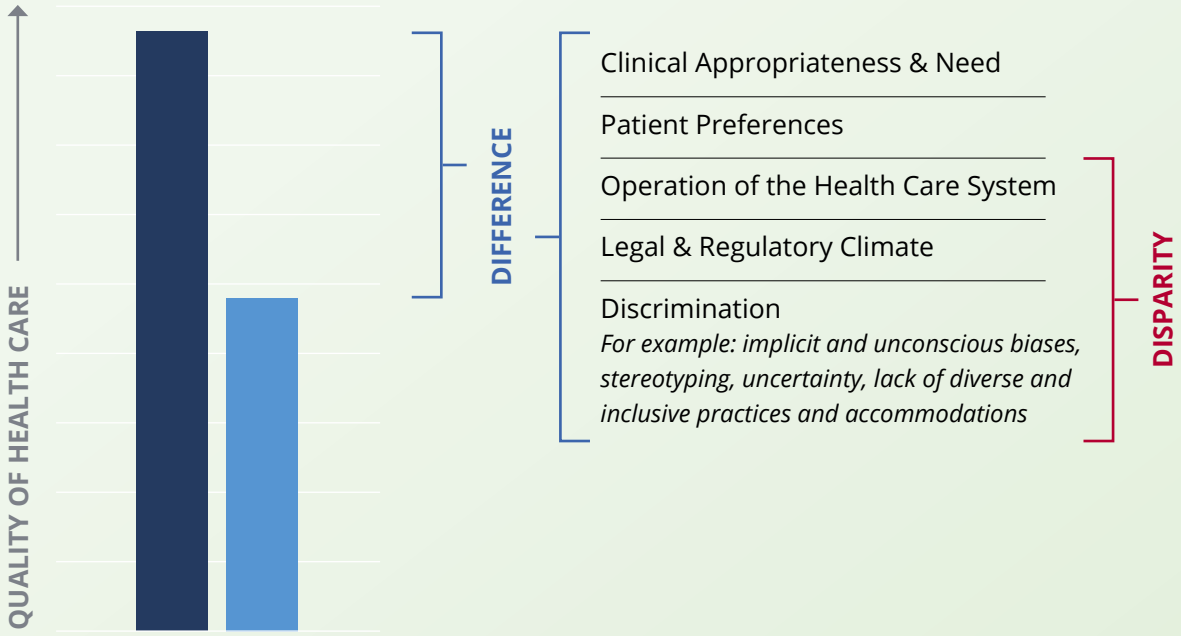
Much can be done to close the health gaps created by disparities and inequities. PBMs are advancing a range of strategies to improve alignment between the accessibility and experience of care *and* individual patients' needs, preferences, experiences, and health and wellness goals.

From disparity reporting, tailoring medication management and delivery, improving medication affordability, and expanding community partnerships that can address disparities, **PBMs are working to better understand and help address the drivers of disparities, including by:**

- *Promoting public and community health and access to care,* including by increasing clinically-appropriate prescribing, reducing barriers to timely initiation of drug therapy, improving persistence of essential chronic medications, and coordinating care with patients' health care teams, among other innovative pharmaceutical care management approaches.
- *Sustaining our commitment to reducing disease burden for conditions with highest disparities prevalence* in partnership with employers and other health plan sponsors and insurers. For example, the PBM industry works in concert with other health care stakeholders to facilitate patient access to evidence-informed pharmacological interventions ('medication therapy') that reduce disparities and improve outcomes.
- *Using available data to identify patients who may need additional support along their health care journey,* including patients who may not have started their medication therapy, may need support to maintain therapy, and/or may have risk factors complicating their therapy regimen.
- *Experimenting with VBAs and other forms of value-based care,* including value-based benefit design and innovative incentive structures to help address disparities in access and outcomes at the community level.
- *Partnering with patients and prescribers by providing simple, clear information and support along the pharmaceutical care journey*, including about drug costs; more cost-effective therapies; and available care and disease management supports, as well as how to navigate plan sponsors' utilization management requirements.

FINDINGS

DISPARITIES REFLECT STRUCTURAL BARRIERS TO EQUITABLE HEALTH CARE

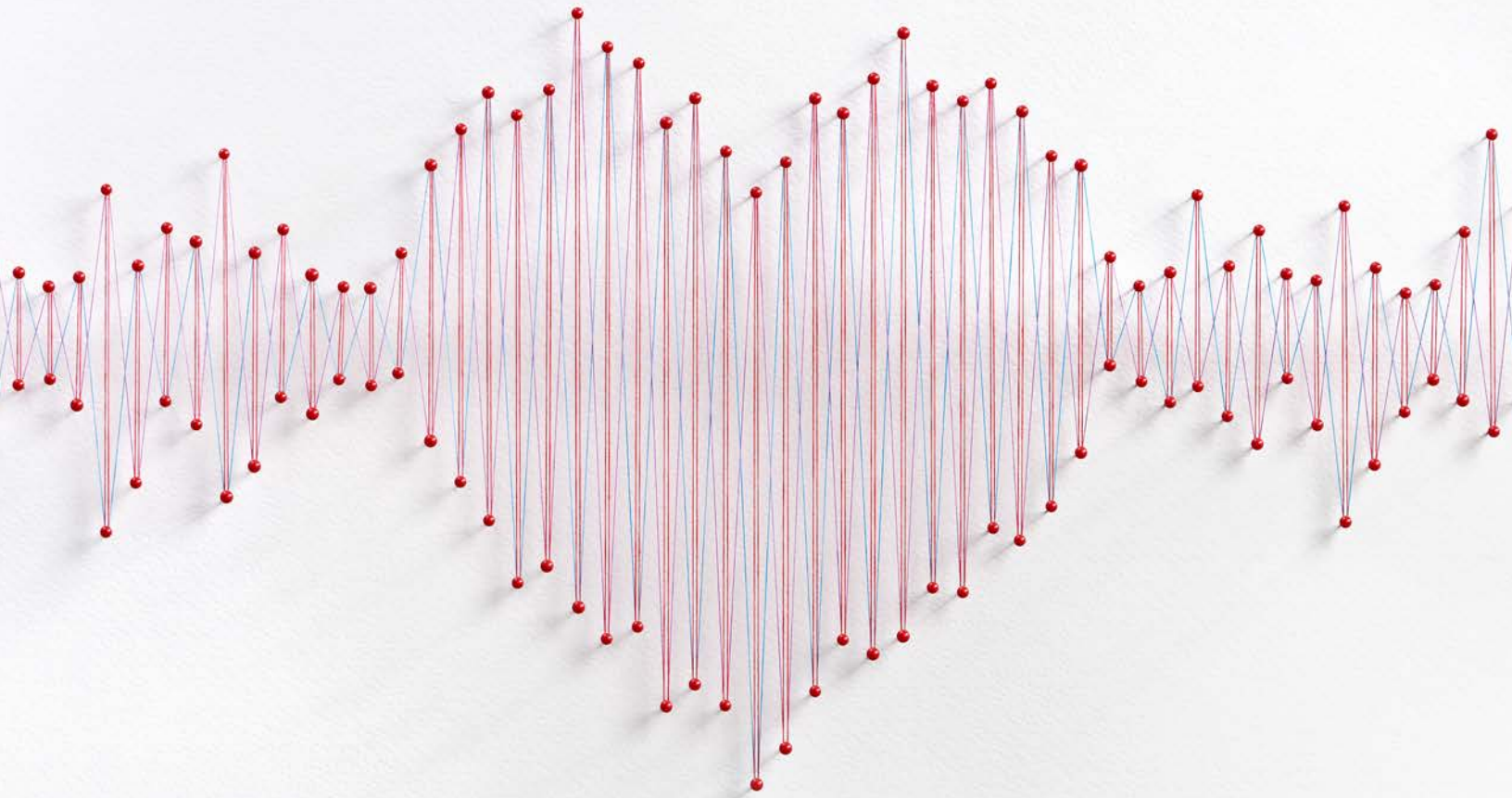


Source: Gomes and McGuire, 2001

Reflected in PBMs' ongoing commitment to population health and facilitating affordable, quality care, our industry supports policies to address structural barriers to care and improved health outcomes, including policies that:

- *Update Medicare Part D to make it even more affordable for beneficiaries with extremely high drug costs,* including by capping out-of-pocket costs, ending misaligned incentives that keep drug prices high, building on Part's D record of choice and competition, and keeping premiums affordable by repealing the rebate rule.
- *Improve affordable access to prescription drug coverag*e by incentivizing Medicaid expansion; auto-enrolling and renewing individuals eligible for Medicaid, the Children's Health Insurance Program, and premium-free Marketplace plans; and removing other barriers to coverage.
- *Allow Medicare Prescription Drug Plans (PDPs) to use Medicare Parts A and B claims data to inform pharmaceutical care management,* promote clinically-appropriate prescribing, and deliver the highest possible quality care.

- *Improve the use of pharmaceutical care management tools and innovations to promote clinically-appropriate and timely access to care,* including of Part B-covered drugs for Medicare beneficiaries.
- *Build on the success and innovation of PBMs' drug utilization review (DUR) processes by updating state Medicaid programs' DUR minimum standards* to better support improved access to substance use disorder (SUD) treatment and boost safeguards for those who have experienced a non-fatal opioid-related overdose (S. 1575, the IMPROVE Addiction Care Act of 2021, sponsored by Senators Joe Manchin and Pat Toomey).
- *Facilitate affordability and accessibility of vaccines and preventative care, with appropriate supports as needed,* including coverage of Centers for Disease Control and Prevention Advisory Committee on Immunization Practices (CDC/ACIP) -recommended adult and pediatric vaccines for routine use, when administered by participating providers and pharmacists.
- *Streamline coverage of medication assisted treatment (MAT) for SUDs and preventive prophylaxis (PrEP) for HIV/AIDS,* including through use of electronic prior authorization, timely utilization management based on clinical evidence (e.g., to prevent drug-drug interactions), and flexible cost-sharing limits aligned to public health goals.
- *Promote timely access to preventatives and SUD-related overdose reversal treatments,* including by empowering pharmacists to prescribe and dispense in cases of emergency.
- *Establish statewide and regional partnerships to coordinate health care and social services to expand and improve efforts to address health and social needs* (S. 509, the LINC to Address Social Needs Act of 2021, sponsored by Senators Chris Murphy and Dan Sullivan).
- *Support local and community approaches to address health disparities, including testing models that may generate evidence-informed interventions.* Such local innovation is essential to aligning disparities interventions with community needs, but these efforts may be promising for other communities. Opportunities to share promising practices and emerging evidence would be helped by a newly created federal Social Determinants Accelerator Interagency Council (H.R. 2503, the Social Determinants Accelerator Act of 2021, sponsored by Representatives Cheri Bustos and Tom Cole).
- *Codify recent Internal Revenue Service guidance by amending federal requirements for health savings accounts (HSAs) to allow high-deductible health plans, which are required for an HSA, to provide pre-deductible coverage of any preventative care service or item related to a chronic condition* (S. 1424, the Chronic Disease Management Act of 2021, sponsored by Senators Thomas Carper and John Thune).



PROMOTE EQUITABLE, AFFORDABLE PHARMACY BENEFIT DESIGN

For patients living with chronic NCDs and other lifelong conditions, improving clinical outcomes and achieving health and wellness often requires supportive pharmaceutical care management. But there are many medications today with extremely high prices that can be a barrier to affordable, accessible care. In addition to these very high prices, employment status, poverty, and other socioeconomic factors can limit a patient's ability to manage their condition by creating barriers to access to other needed supplies and supports.

Federal agencies, including the U.S. Government Accountability Office and Federal Trade Commission, have found that PBMs help lower drug prices, slow the growth of drug spending, and promote "broader access" for patients. PBMs can play a crucial role in helping to address disparities by using their data and pharmaceutical care management expertise to advise and support payors and government programs in the design and development of equitable, affordable pharmacy benefits. Our industry is helping employers and other drug coverage sponsors meet the needs of all patients through patient-centered quality improvement initiatives in areas of clinical vulnerability and disparities, such as diabetes and other NCDs.

As an industry, PBMs are taking action by:

- *Embedding equity as a cross-cutting dimension of quality pharmaceutical care management.*
- *Increasing awareness of racial and other health disparities among employers, public programs, and other drug coverage sponsors and key pharmaceutical care partners, including pharmacists and prescribers.*
- *Promoting a diverse, inclusive, culturally humble, and action-oriented industry* that prioritizes disparities reduction that is demonstrated, in part, by the integration of unconscious biases, conscious inclusion, and equity awareness into leadership and staff training and process workflows.
- *Helping to build a diverse health care workforce.*

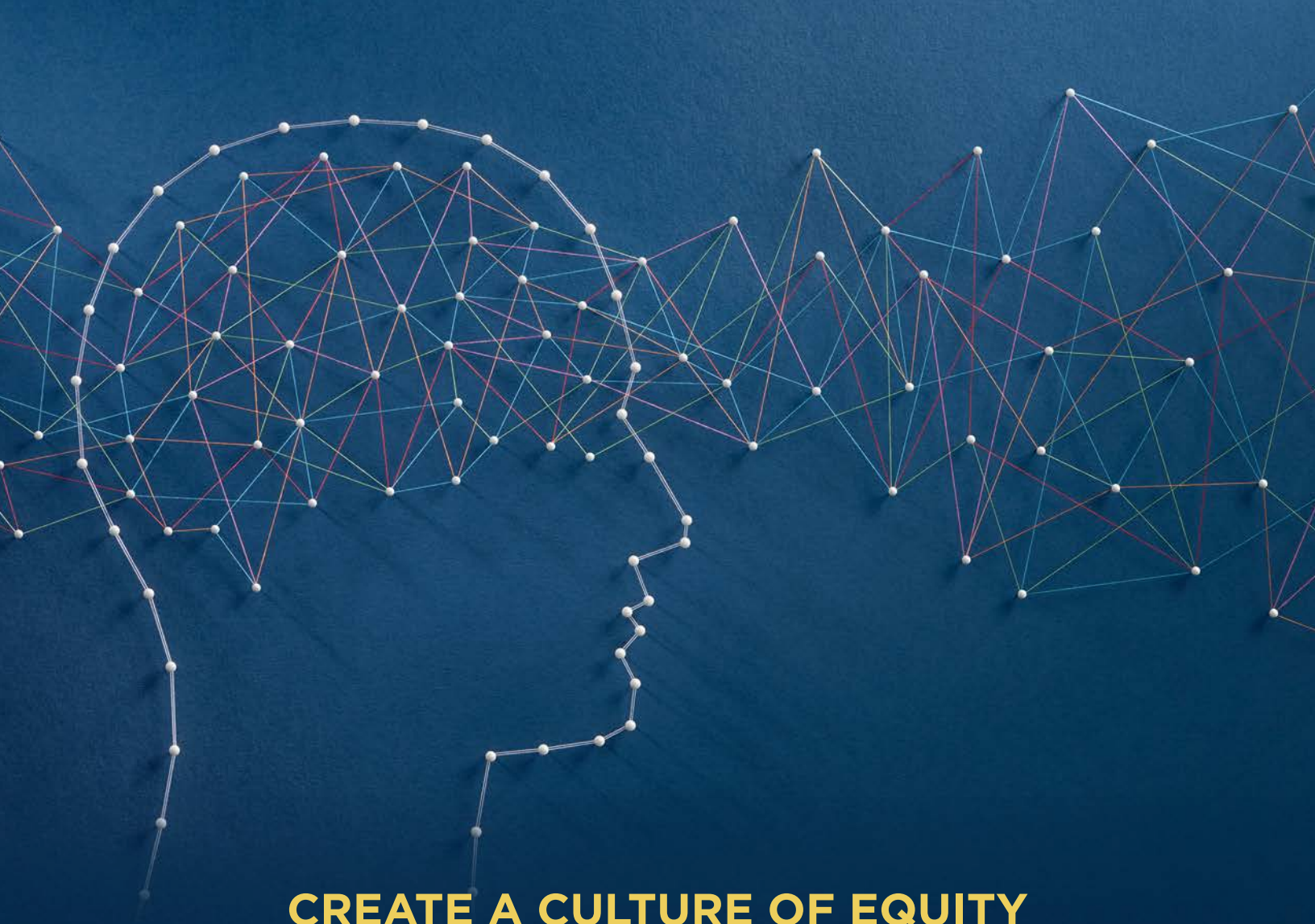
PBMs IMPROVE QUALITY CARE FOR PATIENTS AND PROVIDE CLINICAL VALUE TO DOCTORS AND PLAN SPONSORS

Drug utilization review (DUR) programs	Medication adherence and persistency programs	Medication therapy management (MTM)	Clinical patient support provided by specially trained pharmacists, nurses, nutritionists, and patient educators	Population health information and patient support

More health care isn't always the right care, let alone affordable, high quality, or even equitable care—take for example medication overload. That's why our industry supports policies to promote equitable, affordable pharmacy benefit design, including design that accelerates value-based and patient-focused care, promotes patient engagement and decision-making, relies on rigorous evidence of drugs' safety and efficacy in the real world, and innovates to align health care payment with disparities reduction and other public health goals.

Our industry supports policies to:

- *Remove remaining barriers to the uptake of innovative payment and incentive structures* that improve the patient experience and promote affordable access to high-quality, value-based pharmaceutical care.
- *Support the availability and use of real-world evidence in coverage decisions and utilization management.*
- *Promote cost-effective care and the ability of consumers to make informed therapy decisions,* including by:
  - *Ensuring smooth implementation of real-time benefit tools (RTBTs) in Part D;*
  - *Empowering prescribers to inform patients of cost-effective, therapeutically- equivalent medications* by extending RTBT solutions to state Medicaid programs, state Children's Health Insurance Programs, and the Marketplace;
  - *Providing easy-to-use information on in-network high-quality pharmacies;* and
  - *Promoting care settings that are community-based, more affordable, and more easily accessible than other settings, like a patient's home or their doctor's office instead of a hospital.*
- *Encourage full adoption of electronic prescribing, electronic prior authorization, RTBTs, and similar tools that help promote meaningful transparency.* These tools also meet providers where they are, including through simplified utilization management and exception request processes. When PBMs and prescribers work together, the result is streamlined medication access and timely therapy initiation.
- *Support mechanisms for testing innovative payment models with aligned financial incentives to promote investment in public health and social determinants of health interventions.* For example, the Centers for Medicare & Medicaid Services may consider maintaining and expanding flexibilities related to benefit design and care delivery across markets that improve chronic care management and address social determinants of health no matter how individuals access their drug coverage.
- *Sustain public-private partnerships and private-sector convening of health care stakeholders to update consensus-based tools, practices, and processes,* including the Academy of Managed Care Pharmacy Format for Formulary Submissions ("AMCP dossier") to incorporate health disparities efforts. For example, the AMCP dossier should account for information about the effects of a new drug on health disparities.



CREATE A CULTURE OF EQUITY AND PERSON-CENTERED CARE

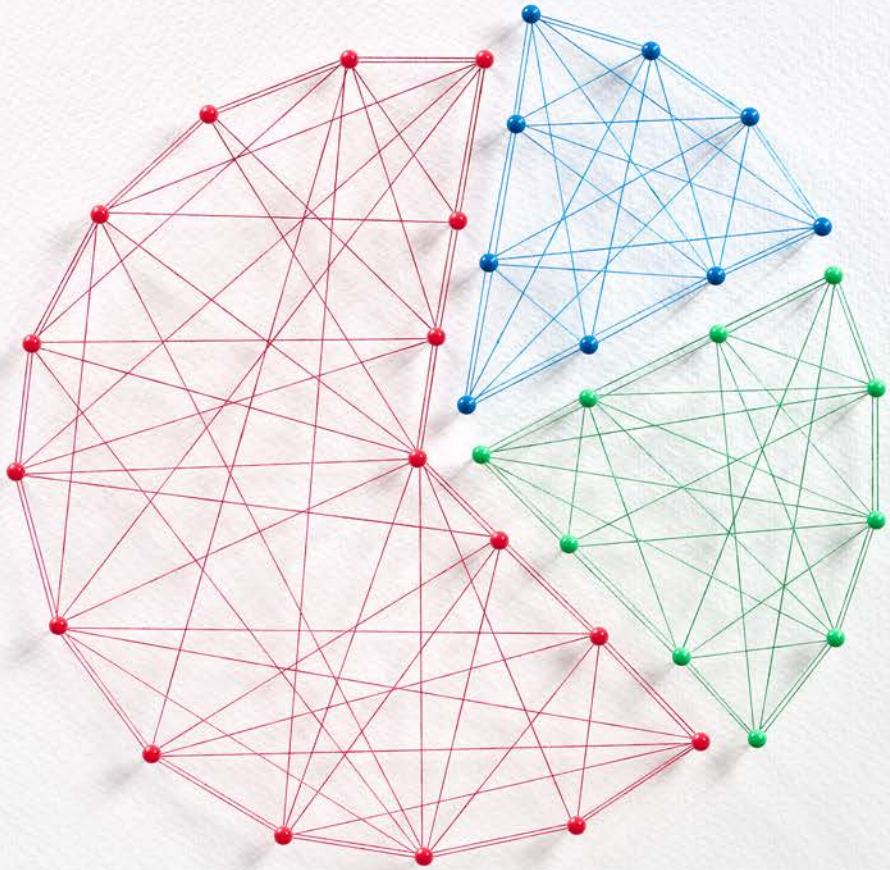
The quality, affordability, and accessibility of pharmaceutical care should not differ because of an individual's personal circumstance, nor should their health care. We commit to sustained industry action on diversity, equity, and inclusion (DE&I) within our own workplaces; in partnership with stakeholders across our shared health care system; and in collaboration on behalf of patients with drug coverage sponsors, health care prescribers, and pharmacists.

As an industry, PBMs are taking action by:

- *Making a sustained commitment to DE&I within our own workplaces* and in support of the efforts of our clients—including the leadership of employers, labor unions, and other drug coverage sponsors.
- *Partnering with community organizations and other stakeholders to advance culturally appropriate systems of care that reduce racial and other health disparities,* including those associated with gender identity, sexual orientation, and disability; foster community health literacy; and simplify patients' health care journeys, including tools explaining their benefits and helping them to make well-informed health care decisions.
- *Promoting pharmacist and prescriber education on health equity, disparities, person-centered care, and cultural humility,* including through partnerships with prescribers and pharmacists to share promising practices for improving medication therapy initiation and persistence, screen for social and systemic risk factors, and connect patients to available resources and support. We believe sharing promising practices and real-world interventions are essential for growing the impact of small-scale efforts and making a difference for patients.

Our industry supports policies to create a culture of equitable, person-centered health care, including policies that:

- *Promote culturally competent care.* Increase education on, and awareness of, racial and other health care disparities, including by requiring unconscious biases and conscious inclusion training of health care professionals at all levels.
- *Support industry initiatives to develop and use unconscious-biases awareness and conscious-inclusion training for all health care stakeholders.*
- *Incentivize and remove barriers to the widespread adoption of patient- and family-centered care,* which includes care coordination, supportive self-management, navigation of systems of care, and respect for personal preferences and lived experiences.
- *Update language access rights* through improvements that clearly define and support "plain-language," readability, and accessibility, including for patients with disabilities.
- *Promote a diverse and inclusive health care workforce by fostering DE&I dialogue throughout the health care ecosystem*—from clinicians to accountants, member support professionals to pharmacists—so that patients have access to the providers, support, and service professionals that meet their needs and preferences.
- *Eliminate racialized and harmful language from the health care lexicon.* For example, instead of "grandfathered plans," refer in statute, regulation, and guidance to health plans pre-dating the Affordable Care Act as "plans that preceded enactment of the ACA."
- *Work with policymakers to integrate evidence-based solutions and address existing public policies and regulation, when identified,* that pose barriers to mitigating health disparities.



INVEST IN MEANINGFUL DATA, EVIDENCE, AND MEASUREMENT

Without accurate and up-to-date data, it is difficult to identify the individual factors that are driving health disparities in our country and how best to address them. For example, sometimes health plan sponsors and insurers have information on a primary enrollee's race, ethnicity, and language (R/E/L), but not for that enrollee's dependents whose health care needs and experiences could be vastly different. Health care data collection, access, and what it can be used for also may be siloed pursuant to federal and state privacy and confidentiality requirements or because of federal health care program rules. Even where there is strong trust between a patient and the health care system, and meaningful data has been collected for that patient, our system may lack both the evidence-informed intervention and tools to measure progress.

PBMs are actively investing in and advancing new ways to use available data and other indicators of potential disparities to advance equitable, patient-centered care. There is more work to be done. We commit to sustained industry action in partnership with government and other private stakeholders to deepen investment in and use of meaningful data and evidence.

Our industry is taking action by:

- *Investing and using access, utilization, and outcomes data to improve person-centered pharmaceutical care management along commonly understood areas of disparities prevalence,* including for Black, Brown, indigenous, and other communities of color; individuals living with disabilities; members of the LGBT community, including nonbinary persons; and other individuals facing disproportionate health risks, disparities in access to care, and inequitable care.
- *Analyzing pharmacy claims to identify prescribing patterns that may indicate disparities and inequities in care,* including the prescribing of clinically-appropriate care and access to care. For example, partnering with patients and their prescribers to identify care settings that are community-based, more affordable, and more easily accessible than others, like a patient's home or their doctor's office instead of a hospital.
- *Sharing and regularly discussing disparities data with drug coverage sponsors and pharmacy care partners,* including employers, labor unions, retirement systems, state and federal health care programs, and other health plan sponsors, as well as prescribers, supportive health care providers, and community pharmacists.
- *Collaborating with quality organizations, accrediting entities, government bodies, and other health care stakeholders to identify key performance indicators measuring progress* toward the elimination of health disparities and the impact of implicit and structural biases and other causes of health inequity. These collaborations must prioritize the inclusion of measures of disparities reduction in performance measurement, including value-based arrangements (VBAs); identification and support of evidence generation efforts; and development of clinical guidance where gaps exist.

PBMs leverage data and technology to promote the most clinically appropriate, evidence-based pharmaceutical care, while simultaneously supporting quality and health outcomes improvement, including by:

IMPROVING ADHERENCE

PBMs and payers utilize programs that integrate patient-specific medical, pharmacy, and lab data to identify patients at highest risk for non-adherence. Teams harness this data to provide at-risk patients with highly personalized interventions to increase medication adherence and achieve improved clinical outcomes.

OPTIMIZING DOSES

PBMs leverage the clinical expertise of specialty pharmacists and data-driven utilization management programs to ensure that patients take the optimal doses of their medications.

IMPROVING PATIENT CARE

PBMs employ sophisticated data collection systems to generate evidence-informed clinical insights that facilitate supportive pharmaceutical care and demonstrate how clinical services and programs improve quality and outcomes, while lowering overall health care expenses.

Our industry supports policies to improve data collection among communities affected by disparities and racism, use of equity-informed measures and protocols, and efforts to improve available evidence about what works, including policies that:

- *Facilitate clear understanding of patient privacy, confidentiality, and terms of use for collected and reported data relating to disparities,* including safeguards to build and sustain necessary trust in health care organizations to promote patient data sharing with trusted health care partners.
- *Improve health disparities data collection, quality measurement, and risk assessment,* including through the cross-industry development of national data collection standards, consensus-based quality measures of equity, and risk assessment protocols to capture disparities and further health equity efforts, including for R/E/L data and other indicators of potential disparities (e.g., disability status, gender, sexual orientation).
- *Encourage use of standardized data, measures, and protocols to promote and streamline patient collaborative care initiatives* between health plan sponsors, PBMs, health systems, health care providers and prescribers, and other essential care partners.
- *Address gaps in clinical evidence data* through more inclusive design of pharmaceutical clinical trials, reduce barriers to clinical trial access, and enhance the reporting of trials' subpopulation results.

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