



PHARMACISTS UNITED FOR
TRUTH AND TRANSPARENCY
TRUTHRX.ORG

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

FOR IMMEDIATE RELEASE

January 16, 2018

**FLORIDA COMMUNITY PHARMACIES LOST \$1.08 MILLION FILLING PRESCRIPTIONS
WHILE PBMs MADE OVER \$180 MILLION**

**PUTT Calling for Greater Awareness of PBM Revenues Going Out of State Instead of Reinvested
Back Into Florida's Economy**

TALLAHASSEE, FL (January 16, 2018) – Florida's independent pharmacies lost \$619,400 last week filling prescriptions, bringing total losses to \$1,084,800 since January 1 while the largest pharmacy benefits management companies (PBMs) profited an estimated \$180 million during the same period, according to Pharmacists United for Truth and Transparency (PUTT). The largest PBMs - CVS/Caremark, Express Scripts and OptumRx (a division of United Healthcare) - are based outside of Florida, meaning the bulk of the revenues generated by the spread pricing - the difference between the price the PBM charges the health plan sponsor and the amount it reimburses the pharmacy - leave the state and are not reinvested back into the local economy.

“We continue to call on Florida's legislators to understand how the losses sustained by small pharmacies impact patients and taxpayers,” said Teresa Stickler, PUTT president. “Ultimately it is Florida who loses -- small business pharmacies are forced to absorb the hits to their bottom line until they can no longer stay open, patients lose choices when a pharmacy closes, and taxpayers pay the price as millions of dollars leave the state. We're asking legislators to take a closer look at PBM business practices to see how they profiteer off the people of Florida.”

The average pharmacy fills just over 200 prescriptions per day, according to annual data provided by the National Community Pharmacy Association. Just over 90 percent of the prescriptions processed by Florida's more than 1300 independent pharmacies come through a PBM third party. Based on information received on the spread pricing of two prescriptions by one of the country's largest PBMs, PUTT used \$77 as the average per-prescription profit to determine the potential \$99 million PBMs generated for the week ending January 13, 2018. Added to the previous week's revenues, PBMs have generated some \$180

million to date while small business pharmacies have lost greater than \$1 million. The \$1.08 million losses experienced by independent pharmacies between January 1 and January 13 were the result of manipulation of non-transparent MAC (maximum allowable cost) formulary contracts - lists of drugs whose pricing is kept proprietary and not shared with the dispensing pharmacy, insurance payer or patient.

Originally intended to process prescription claims, PBMs portray themselves as helping reduce costs. However, PBMs are nothing more than the middle men in the pharmacy industry. The largest PBMs have recently been called out for antitrust activities including 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 unlevel 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.

#