



“Lost Care and Broken Promises”: TRICARE Cuts Veterans’ Access to Medication by 15,000 Pharmacies Nationwide Beginning October 2022

- Express Scripts eliminated TRICARE beneficiaries’ ability to obtain their prescriptions at the pharmacy of their choice by cutting out most of the independent pharmacies from their pharmacy network. **Veterans are expected to lose access to their pharmacies beginning October 24, 2022**, with patients now receiving notification - **giving less than a month’s notice to manage prescription refills and other pharmacy care.**
- In its beneficiaries brochure, TRICARE promises a choice of providers and plans: *“You should expect a choice of health care providers that is sufficient to ensure access to appropriate high-quality health care.”* Cutting pharmacy access represents a clear renegeing on the promise to provide “a choice ... sufficient to ensure ... appropriate high quality care.”
- Military veterans have been concerned about cuts to their access to healthcare providers of choice, citing “lost care and broken promises” in 2020 when the Defense Healthcare Agency announced plans to halt care for active military, military retirees and their families at 38 Military Treatment Facilities stateside.¹
- Pharmacies directly contracted with Express Scripts were purposely not offered fair compensation to continue participation in this network for 2023. It is beyond unconscionable for the federal government to target community pharmacies in this severe restriction of provider access. **This is a gross misuse of federal tax dollars paid by the very businesses being excluded.**
- The network rates offered to community pharmacies would have resulted in **below-cost reimbursement** with the average loss per script about \$7.27. Even after intense negotiations, it was clear there was no intention of maintaining broad access to community pharmacy **which will ultimately result in a rise in pharmacy deserts.**
- The **federal government is being misled by Express Scripts.** Choosing to cut veterans off from their choice of network pharmacy will not save the federal government money - it will cost the government additional money as Express Scripts looks to maximize profits by sending veterans to Express Scripts-owned mail order pharmacies. Data from individual independent pharmacies shows Express Scripts making as much as an average \$17 per prescription for TRICARE beneficiaries.

¹ “Lost Care and Broken Promises: Military Retirees React to TRICARE Changes” Military.com, Feb 27, 2020. <https://bit.ly/3Bi38Ps>



- This is not the first time Express Scripts has hoodwinked the federal government. The Federal Trade Commission is studying the practices of the 6 largest PBMs following 2 public hearings and more than 24,000 comments and complaints from the public - many from veterans - about **PBM mismanagement** of individuals' pharmacy benefits.
- **Numerous studies have shown enormous patient dissatisfaction with mail order pharmacy overall.** Following high-profile media coverage of working conditions for pharmacy staff at the largest retail pharmacies, chain pharmacies have begun paying sizeable sign-on bonuses to keep their pharmacies open - much at the **expense of taxpayers** whose tax dollars offset Medicare, Medicaid and federally-sponsored plans like TRICARE.
- **Veterans deserve better**, and so do the pharmacies who've served them for generations. Prescription drug copays and end-payer costs are set by pharmacy benefit managers like Express Scripts, they are not set by pharmacies. Cutting independent pharmacies out of TRICARE networks will result in greater long-term costs to taxpayers while Express Scripts continues to profiteer off this situation.
- **We are calling on Congress** to investigate the factors that led to the decision to cut 15,000 pharmacies out of the TRICARE network and to restore veterans' right to access affordable medication and pharmacies' right to serve patients at fair and reasonable reimbursement rates.