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FOR IMMEDIATE RELEASE April 26, 2024

#### PATIENT, PROVIDER ADVOCACY ORGANIZATIONS UNITE TO PROTEST EXPRESS SCRIPTS POLICIES THAT LIMIT PATIENT ACCESS TO CARE

#### Hundreds Expected to Turn Out for Historic Demonstration at Express Scripts' St. Louis Headquarters Organized by Unite for Safe Medications

ST. LOUIS, MO (April 26, 2024) - Some 300 or more patients, pharmacists and community advocates will gather on Friday May 17, 2024 at Express Scripts' corporate offices to protest years of questionable practices that have resulted in volumes of documented cases of patient harm; independent pharmacy closures and little evidence of cost savings at the pharmacy counter, contrary to promises made by Express Scripts and its fellow "Big 3" pharmacy benefits managers (PBMs).

Organized by St. Louis-based **Unite for Safe Medications** (<u>USFM</u>) a grassroots nonprofit advocacy organization, the peaceful demonstration will take place from 9 a.m to 1 p.m and seeks to pressure Express Scripts to end the following practices:

- **PBM Steering Towards Their Own Pharmacies:** Express Scripts and its fellow PBMs direct patients to their own mail and retail pharmacies, limiting access to local independent community pharmacies. This "steering" is driven by profit motives, not cost savings or safety concerns for patients.
- **Drug Pricing Manipulation and Rebate Schemes:** PBMs increase drug prices and withhold savings from patients and pharmacies through pricing manipulation and rebate schemes. PBMs, who act as middlemen between health plans and pharmacies, wield immense power over drug pricing, coverage decisions, and pharmacy reimbursements. Unfortunately, this power is often abused, putting patients and communities at risk.

- Impeding Patient Access to Medication: PBMs obstruct patient access to medication through limited lists of covered medications or formularies. Formularies are often built upon which drug manufacturers will provide the largest kickback to the PBM and not the medication that will be most affordable or medically appropriate for the patient.
- Accelerating Pharmacy Closures Due to PBM Financial Pressures, Resulting in Pharmacy Deserts: Across the nation, independent pharmacies are facing a wave of closures due to inadequate reimbursements from PBMs at the same time thousands of corporate retail pharmacy closures are already happening. These closures disproportionately impact underserved communities, creating "pharmacy deserts" where access to essential medications becomes difficult. It is estimated that 30% of local community pharmacies in America may close this year due to these practices.

"Countless patients and pharmacists are devastated by the loss of their local pharmacies," said USFM founder and protest organizer Loretta Boesing. "Safe and convenient access to medications is vital, and these closures are a public health crisis. We must unite to protect them and patients from the destructive practices of PBMs."

Patient and provider organizations participating in the protest include Pharmacists United for Truth and Transparency; AIDS Healthcare Foundation; Arthritis Center STL; National Community Pharmacists Association; American Pharmacists Association; Missouri Pharmacy Association, Coalition of State Rheumatology Organizations, Illinois Pharmacy Association, American Economic Liberties Project, Patients Rising, WayPointRx IG

#### **About Loretta Boesing**

Loretta Boesing's passion for safe medication was ignited when her son, who relies on daily medication following a life-saving organ transplant, was thrown into transplant rejection and nearly lost his life. Upon investigation, she discovered her son's medication - which had arrived via mail order on a scorching summer day wrapped only in a bag - had been rendered ineffective from heat exposure. The Boesing family's insurance mandated mail order pharmacy.

Her son's health scare led Ms. Boesing to uncover widespread problems with PBMs, including medication delivery delays; understaffing at PBM-owned corporate chain pharmacies; and the startling discovery that her health plan's PBM reimbursed its own mail order pharmacy significantly more than her local pharmacy for the same medication for a "lower copay".

Ms. Boesing started a petition with over 220,000 supporters to stop forcing the use of mail order pharmacies. She routinely travels across the U.S. speaking to state boards of pharmacies and other organizations to empower patients' right of pharmacy choice.

#### About Unite for Safe Medications

<u>Unite for Safe Medications</u> is a nonprofit organization that seeks to save lives and advance patient outcomes by improving access, quality, and safety of pharmaceutical care. For more information, please visit www.uniteforsafemeds.org.



# **Express Scripts Protest Fact Sheet**

#### Friday, May 17, 2024 9 am – 1 pm CDT 1 Express Scripts Way St. Louis, MO

### Web Address UniteForSafeMedications.com/media-information

WHAT IT IS:	A peaceful protest at Express Scripts' corporate headquarters, including a brief slate of speakers addressing specific Express Scripts practices that interfere in patient care; hamper pharmacies and drive up costs to end payers					
WHO IS PROTESTING:	Patients, pharmacists and pharmacy staff, patient and pharmacy advocacy organizations; caregivers and members of the public					
WHY:	Patients and providers are calling for the end of Express Scripts' business practices that prioritize profits over patients, including:					
	<ul> <li>Intentionally Limiting Patient Choice</li> <li>Disregard for Patient and Provider Safety</li> <li>Restricting Patient Care</li> <li>Anticompetitive Behavior That Suppresses the Free Market</li> </ul>					
	For additional details on how these and other practices endanger patients and hamper providers from effectively caring for patients, visit uniteforsafemedications.org					
SUPPORTING ORGANIZATIONS:	Pharmacists United for Truth and Transparency; AIDS Healthcare Foundation; Arthritis Center STL; National Community Pharmacists Association; American Pharmacists Association; Missouri Pharmacy Association, Coalition of State Rheumatology Organizations, Illinois Pharmacy Association, American Economic Liberties Project, Patients Rising, WayPointRx IG					
BACKGROUND INFORMATION:	<ul> <li>Intentionally Limiting Patient Choice: Designing benefits plans that require patients to use only PBM-owned/affiliated pharmacies and/or financially penalizing or threatening to</li> </ul>					



withdraw coverage when patients use the pharmacy of their choice. Mandating mail order or the use of PBM-owned specialty pharmacies. Express Scripts' mail order pharmacy, cautioned by the Better Business Bureau (BBB), has faced complaints about delays, wrong shipments, refund issues, and poor service.

- Disregard for Safety: Intervening in the patient's treatment plan by requiring "fail first" protocols; engaging in non-medical switching; exposing patients to unnecessary risk through mail order pharmacy when drugs are rendered ineffective by improper shipping and/or temperature controls - with little to no recourse when issues arise; drastically cutting reimbursements for medication already dispensed and therapeutic counseling provided, leading to overwhelm as pharmacies are forced to cut staff while processing prescriptions and providing care for an ever-increasing number of patients.
- Restricting Patient Care: Express Scripts intentionally creates limited formularies based on what medications bring their corporation the largest kickback (rebate), <u>not what is medically best or most affordable for the patient</u>. This increases financial burdens on patients <u>making it more difficult to afford essential</u> <u>medications</u> and limiting patients' access to lifesaving treatments
- Obvious Anticompetitive Behavior That Suppresses the Free Market: As "negotiators", PBMs shouldn't own pharmacies (it's a conflict of interest) and yet Express Scripts is the 3rd largest pharmacy in the U.S. In a drive to make patients dependent on its pharmacies, Express Scripts offers its competitor pharmacies non-negotiable contracts with perpetually changing, unconscionable terms.
  - There are <u>19.432 independent pharmacies</u> left operating in the U.S. A recent survey by the National Community Pharmacists Association (NCPA) <u>indicates some 32% of</u> <u>independent pharmacies may close</u> before the end of 2024.

FOR MORE INFORMATION:

Loretta Boesing, founder of Unite for Safe Medications Loretta@UniteForSafeMeds.com



## **Express Scripts Protest Fact Sheet**

Friday, May 17, 2024 9 am – 1 pm CDT 1 Express Scripts Way St. Louis, MO

Organized by <u>Unite for Safe Medications</u> Protest Webpage: <u>TruthRx.org/protest-information</u>

WHAT IT IS: A peaceful protest at Express Scripts' corporate headquarters, including a brief slate of speakers addressing specific Express Scripts practices that interfere in patient care; hamper pharmacies and drive up costs to end payers

WHO ISPatients, pharmacists and pharmacy staff, patient and pharmacyPROTESTING:Patients, pharmacists and pharmacy staff, patient and pharmacyadvocacy organizations; caregivers and members of the public

WHY: PBM reform is needed NOW. Patients and providers are calling for the end of Express Scripts' business practices that prioritize profits over patients, including:

- Restricting Patient Care in the Name of "Cost Savings"
- Intentionally Limiting Patient Choice
- Disregard for Patient and Provider Safety
- Obvious Anticompetitive Behavior That Suppresses the Free Market

For additional details on how these and other practices endanger patients and hamper providers from effectively caring for patients, visit TruthRx.org

SUPPORTING ORGANIZATIONS: Pharmacists United for Truth and Transparency; AIDS Healthcare Foundation; Arthritis Center STL; National Community Pharmacists Association; American Pharmacists Association; Missouri Pharmacy Association, Coalition of State Rheumatology Organizations, Illinois Pharmacy Association, American Economic Liberties Project, Patients Rising, WayPointRx IG



BACKGROUND INFORMATION:

- Express Scripts is one of the "Big 3" PBMs who together processed 80% of U.S. prescription drug claims in 2023.
   Express Scripts was purchased by Cigna Healthcare in \_\_\_\_
- Express Scripts owns pharmacies including specialty pharmacy Accredo and mail order and is required to contract with other retail pharmacies including national chains, mass merchant and independent pharmacies. Express Scripts contracts are notoriously one-sided, non-negotiable and the only access to patients for pharmacies.
- PUTT Board President Deborah Keaveney address inequities between Express Scripts and pharmacies in letter dated October <u>30, 2023</u> that was sent to Dr. Stephanie Cooney. Dr. Cooney did not respond.
- There are <u>19,432 independent pharmacies</u> left operating in the U.S. A recent survey by the National Community Pharmacists Association (NCPA) <u>indicates some 32% of independent</u> <u>pharmacies may close</u> before the end of 2024.
- More than half the respondents said <u>Express Scripts was the</u> <u>PBM responsible for creating the most financial stress</u> (for Medicare D prescriptions) among community pharmacies.

FOR MORELoretta Boesing, founder of Unite for Safe MedicationsINFORMATION:Loretta@UniteForSafeMeds.com

# **VERTICAL INTEGRATION IN U.S. HEALTHCARE**



1. Centene began outsourcing its PBM operations to Express Scripts in 2024. In 2023, Centene rebranded its Envolve Pharmacy Solutions pharmacy benefit subsidiary as Centene Pharmacy Services. In 2022, Prime Therapeutics completed its acquisition of Magellan Rx from Centene.

2. Synergie is a buying group focused on medical benefit drugs. Its ownership includes Blue Cross Blue Shield (BCBS) Association, Prime Therapeutics, Elevance Health, and other independent BCBS health plans.

3. Since 2021, Prime's Blue Cross and Blue Shield plans have had the option to use Express Scripts or AllianceRx Walgreens Pharmacy for mail/specialty pharmacy services. In 2021, Walgreens purchased Prime Therapeutics' 45% ownership interest, so this business had no PBM ownership as of 2022. In 2022, the company was rebranded as AllianceRx Walgreens Pharmacy. In August 2024, AllianceRx Walgreens Pharmacy will become Walgreens Specialty Pharmacy.

4. In 2021, Centene sold a majority stake in its U.S. Medical Management to a group of private equity firms

5. Since 2020, Prime has sourced formulary rebates via Ascent Health Services. In 2021, Humana began sourcing formulary rebates via Ascent Health Services for its commercial plans.

6. In 2023, Cigna's Evernorth business made a significant minority investment CarepathRx Health System Solutions

7. Previously known as Evernorth Care Group and Cigna Medical Group.

8. In 2021, Cigna's Evernorth business acquired MDLive.

9. Walgreens owns a majority of VillageMD. In 2022, Cigna invested \$2.7 billion for an estimated 14% ownership stake in VillageMD. In 2024, Cigna recorded a \$1.8 billion loss on its investment

10. In 2023, CVS Health completed its acquisitions of Signify Health and Oak Street Health

11. Previously known as IngenioRx.

12. In 2023, Elevance Health completed its acquisition of BioPlus Specialty Pharmacy from CarepathRx. In 2024, Elevance Health acquired Paragon Healthcare, which operates specialty pharmacies and Infusion centers, and Kroger Specialty Pharmacy.

13. Includes CareMore Health and Aspire Health. In 2024, CarelonRx announced a primary care partnership with investment firm Clayton, Dubilier & Rice.

14. In 2021, Partners in Primary Care and Family Physicians Group businesses were rebranded as Centerwell Senior Primary Care.

15. In 2022, Kindred at Home was rebranded as Center/Well Home Health. In 2022, Humana announced an agreement to divest its majority interest in Kindred at Home's Hospice and Personal Care Divisions to Clayton, Dubilier & Rice. Humana also announced plans to close a majority of its SeniorBridge home care locations. Source: The 2024 Economic Report on U.S. Pharmacies and Pharmacy Benefit Managers. Exhibit 254. Companies are listed alphabetically by corporate name.



An HMP Global Company

# graphic courtesy of Drug Channels Institute

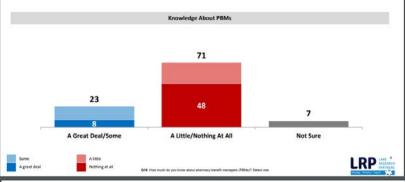
https://www.drugchannels.net/2024/05/mapping-vertical-integration-of.html



May 2024

# PBM ACCOUNTABILITY PROJECT

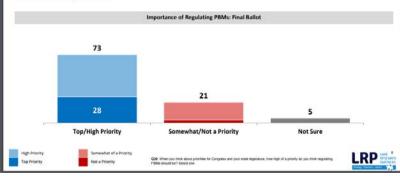
Seven in ten voters report knowing little or nothing at all about PBMs. Many voters will form impressions of PBMs based on the name alone, leaving PBMs open to define themselves positively without communication to push back on this narrative.



Reading a list of some of the negative impacts PBMs have on health care generates uniformly very high levels of concern among voters. Three quarters to eight in ten voters are concerned about all of the impacts tested, but the ones that evoke the highest intensity of concern by a slim margin are that PBMs drive up prescription drug prices and that they hold a monopoly on the prescription drug market.

Sorred by Very Concerned No		rned	Concerned		Net	Don't Kno
PBMs drive up prescription	drug prices 13	5	57	79	+65	8
PBMs hold a monopoly on the prescription drug market, allowing the unilateral decisions on prices	em to make 13	4	55	78	+65	9
There is little oversight or regulation of PBMs		2	54	78	+65	9
PBMs decide which drugs are available to consumers		4	54	78	+64	8
PBMs exclude cheaper, generic drugs from our insurance plans		5	53	77	+62	8
PBMs block patient access to drug manufacturer copay assistance programs		5	51	77	+63	9
PBMs reduce patients' choice in prescription drugs and pharmacies		4	51	76	+61	9
PBMs often own their own pharmacies and drive out independent, community drug		4	49	75	+58	9
Three PBMs – CVS Caremark, ExpressScripts, and OptumRX – control over 80% of the prescription drug market in the U.S		5	45	74	+57	9

After voters have had PBMs defined for them, an overwhelming majority think that regulating PBMs should be a priority for their elected officials. Nearly three quarters of voters say that regulating PBMs should be a high or top priority for Congress and/or their state legislature.

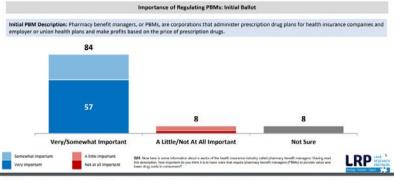


84% of voters say it's important or very important to have rules that require PBMs to provide value & lower drug costs for consumers

# In Short:

73% of voters say regulating PBMs should be a high or top priority for Congress and their state legislatures 72% of voters say they are more or much more likely to vote for a candidate who supports regulating PBMs

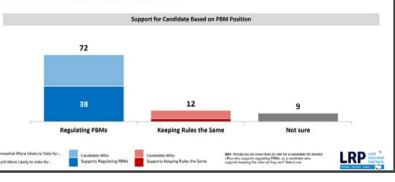
After voters read a short and simple description of PBMs, an overwhelming majority – more than eight in ten – say it is important to have rules that require PBMs to provide value and lower drug costs for consumers, including more than half who think it is very important.



After voters hear additional information about PBMs\*, a slate of specific proposed regulatory policies get overwhelmingly high support across the board. While all of the policies are remarkably popular, and nearly uniformly so, requiring PBMs to pass discounts along to patients and changing how PBMs profit so they are not incentivized to drive up prices top the list by a slim margin.

Require PBMs to pass discounts along to patients that they get from negotiating with prescription drug manufacturers	9					Know
et an entre set and the set of the set of the set of a set of the	3	2	56	82	+74	9
Change how PBMs profit so it's not connected to the price of prescription drugs and they are not incentivized to drive up prices for patients		1	56	81	+74	11
Require PBMs to get the best possible deal for health plan sponsors (such as employers), which would lower patients' costs		2	55	81	+73	10
Introduce more transparency into PBMs' contracts and the prescription drug pricing process		2	54	81	+73	11
Require more consistency in out-of-pocket prescription drug costs so patients know what they can expect to pay at the pharmacy counter		3	53	80	+70	9
Require that insurance plans (like employer health plans) pay PBMs only a simple flat fee for their services, prohibiting PBMs from charging additional fees that ultimately get passed on to patients		į	51	80	+71	11
Introduce more competition into the marketplace for PBMs, so they have to offer competitive prices to get contracts, ultimately lowering prices for plan sponsors (such as employers) and patients		8	49	78	+68	11
Require that PBMs count copay assistance programs (such as coupons) toward meeting patient deductibles or out of pocket limits, to help make prescriptions more affordable for patients		3	48	79	+69	12

Again, after PBMs have been defined for them, voters say they are far more likely to support a candidate for office who supports regulating PBMs than one who prefers to keep the rules the same. More than seven in ten voters would be more likely to vote for a candidate who supports regulating PBMs.



**Pharmacists United for**