

IPA Member Update  
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Independent Pharmacy Alliance, established 1988, is a trade group and retail pharmacy buying cooperative representing over 3,700+ independent pharmacies.

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## **New Jersey Senate & Assembly Committees Approve Governor Murphy's PBM Reform Package – More Work Being Done**



Governor Murphy's PBM prescription drug affordability package was approved in two Assembly committees and the Senate Commerce Committee. The Legislature was unable to schedule a vote on the package before the June 30<sup>th</sup> summer recess deadline, but Politico reported the reform bills are being worked on in the Legislature. IPA and New Jersey's pharmacy advocates are working to schedule the package for a vote this fall which includes:

**(S1616 / A536)** The bill would create new opportunities for pharmacies to challenge PBMs when they deny appeals for low reimbursements and would help enforce the state's PBM appeals laws currently in effect. PBMs would be subject to audits from the state and it would force them to be more transparent by creating a new state licensing structure. **(Support)**

## **Request for Public Comments on the Practice of Patient-Steering by Pharmacy Benefit Managers in New York State**

The New York State Department of Financial Services' ("Department") Pharmacy Benefits Bureau is inviting public comments about the applicability of the Pharmacy Benefit Manager ("PBM") laws set forth in New York Insurance Law ("IL") Article 29, as well as the need for rules to be

promulgated thereunder, relating to the practice of patient-steering by PBMs in New York State. Patient-steering is a practice that may be employed by PBMs to steer patients to its wholly owned or affiliated retail, mail order or specialty pharmacies.

Responses should be emailed to [PBM@dfs.ny.gov](mailto:PBM@dfs.ny.gov) by August 19, 2022, with “PBM2022-04” included in the subject line. Failure to include “PBM2022-04” in the subject line may result in your comment not being considered. [Click here for more information.](#)

## **NCPA: Have you used our PBM complaint tool?**



NCPA launched a tool to help pharmacists and patients report possible violations to state insurance regulators and push them to enforce state laws regarding PBMs. To develop this resource, NCPA state policy staff compiled information on PBM laws in each state and included links to all states’ department of insurance complaint forms. For example, if a state law prohibits PBMs from clawing back funds from pharmacies post-point-of-sale, NCPA’s PBM Complaints tool will make it easier to formally report them to their insurance regulator to be investigated and made compliant. [Click here](#) to check it out.



### **Take the \$50 Donation Challenge**

**[Click this Link & Make PBM Reform Happen](#)**

- ✓ IPA is working with New Jersey’s pharmacy advocates on PBM reform!
- ✓ If every NJ pharmacy owner contributes \$50, we can raise \$20,000 for PBM Reform!

## Podcast: We go into the "Mailbag" to answer listener questions on Pharmacy Benefits Managers & DIR Fees!



Click on your favorite apps to listen to a new podcast! This week we answer some of the questions we've received recently about the FTC's investigation into Pharmacy Benefit Managers, the new CMS DIR fee rule, and Beyonce's new song! **Click these links to listen on your favorite apps...**

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## Former CVS exec accuses it of ripping off seniors, taxpayers Whistleblower said health care giant illegally drove up drug costs



The top leadership of CVS Health directed an illegal scheme to work across the corporation's sprawling subsidiaries to drive up drug prices in the Medicare program, says a whistleblower suit that was recently unsealed in the Eastern District of Pennsylvania. It accuses CVS of breaching firewalls between its SilverScript prescription drug plan, CVS Caremark, its pharmacy middleman, and its vast chain of retail stores. The scheme is intended to block seniors' access to cheaper generic drugs in exchange for big rebates from the manufacturers of the drugs that were covered, the suit alleges. [To read the NCPA article click this link](#)

## Federal Reform is Impending for Pharmacy Benefit Managers



There has been a wave of state regulation focused on PBM practices in the wake of *Rutledge* and *Webhi*. However, PBMs are also facing federal reform efforts. The [Pharmacy Benefit Manager \(PBM\) Transparency Act of 2022 \(the Act\)](#) was recently proposed in the U.S. Senate and intends to incentivize "fair and transparent" PBM practices, prohibit spread pricing and claw backs of payments to pharmacies, and empower the Federal Trade Commission (FTC) and state attorneys general in enforcement actions to stop "unfair and deceptive" PBM business practices.

At the same time, government watchdogs are also taking action: on June 7, 2022, the FTC announced that it would launch an inquiry into vertically integrated PBMs, and the Office of the Inspector General (OIG) for the Department of Health and Human Services expects to release a report in 2022 following completion of its analysis of Medicaid Managed Care Organization (MCO) PBM pricing. [Click this link to read the entire article.](#)

## **FDA Issues Guidance on Importation of Certain Prescription Drugs**

The FDA released a [guidance document](#) on requirements for pharmacists and wholesale distributors for the importation of some prescription drugs from Canada. This guidance provides further clarification to [FDA's October 2020 final rule](#), "Importation of Prescription Drugs," which became effective Nov. 30, 2020. FDA issued the final rule to cut costs for American consumers, while not introducing additional health and safety risks. [To read the FDA update click this link.](#)

## **Independent Pharmacy Alliance**

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**3 Cedar Brook Drive, Cranbury, NJ 08512**

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