Optimizing Patient Access to Medications

**The American Dermatological Association’s Position Statement on Pharmacy Benefit Managers (PBMs) and Patient Access to Affordable and Appropriate Medications**

Access to healthcare has been at the forefront of social and political debate for decades. Reliable and equitable access to provider prescribed medications is tantamount to the delivery of appropriate healthcare, and the lifecycle of medication manufacturing, distribution, pricing and procurement has been shrouded in an incomprehensible array of transactions and involved stakeholders. Among the middlemen interspersed between pharmaceutical manufacturers and patients are pharmacy benefit managers (PBM).  Initially tasked with administering drug plans for health insurers,1 the role of PBMs has expanded over time.   They currently function in a lightly regulated area,2,3 with few requirements for business transparency. Three PBMs, CVS Caremark, Optum RX, and Express Scripts, control distribution of nearly ¾ of the medications in the United States.

PBMs can influence access to drugs in many ways:

1. Drugs not listed on a PBM formulary or those on an unfavorable “tier” may not be available to patients.
2. PBMs have sufficient market power to demand payments from manufacturers, pharmacies, and insurers in the forms of discounts, rebates, or fees. These may be retained by the PBM rather than given to the patient, thereby more than doubling their price for certain drugs.
3. PBMs may encourage use of drugs for which they receive the greatest discount, rebate or fee, even if they are more expensive, less effective, or less safe for certain patients or uses.
4. Patient copays and financial responsibilities are routinely based on the drug’s list price and not the net price after rebates, benefitting the PBM and payers but often failing to benefit those patients.
5. PBMs may require time-consuming paperwork (so-called prior authorizations4 or appeals of denied prior authorizations) by patients and physicians to allow access to necessary drugs.

Several measures should be implemented to improve patient access to drugs by reforming certain PBM business processes. Many will require national policy initiatives:

1. All discounts, rebates, and fees received by PBMs, regardless of how they are named or characterized, should be divulged in an interpretable and publicly available format.
2. All such discounts, rebates and fees, minus a proportionately small processing fee retained by the PBM, should be given to the patient at the point of purchase.
3. To ensure physicians’ ability to predict which medications may be both medically appropriate and affordable, there should be restrictions regarding how frequently drug prices at the point of sale can be changed.
4. Safe harbors for kickbacks and antitrust exemptions should not be available to PBMs, and existing safe harbors for PBMs should be revoked.

Ensuring that patients can obtain the medications they need in a timely and affordable manner is of paramount importance. While PBMs serve an important role both in managing pharmacy benefits for insurers and providing medications to patients, their activities should be modified and regulated to better address the needs of the patients they serve.

**REFERENCES**

1. Taniguchi R. Pharmacy benefit management companies. Am J Health Syst Pharm.

1995 Sep 1;52(17):1915-7.

2. Schulman KA, Dabora M. The relationship between pharmacy benefit managers

(PBMs) and the cost of therapies in the US pharmaceutical market: A policy primer

for clinicians. Am Heart J. 2018 Dec;206:113-122.

3. Nabhan C, Phillips EG Jr, Feinberg BA. How Pharmacy Benefit Managers Add to

Financial Toxicity: The Copay Accumulator Program. JAMA Oncol. 2018 Dec

1;4(12):1665-1666.

4. 2018-2019 Academy of Managed Care Pharmacy Professional Practice Committee.

Prior Authorization and Utilization Management Concepts in Managed Care Pharmacy.

J Manag Care Spec Pharm. 2019 Jun;25(6):641-644.