

PBM/reimbursement variability

Follow-up to testimony question from 4/14/15

4/15/15

Dear Rep. Dakin,

This is to get back to you concerning your question about whether there is variability in the amount Express Scripts reimburses different pharmacies for dispensing a particular drug.

This is what I asked my contact at ESI:

"A committee member asked me if we reimbursed all pharmacies in the state at the same amount for a particular drug. I said I believed that we reimbursed all pharmacies the same amount for the cost of the drug they dispense, but there might be some variation in the dispensing fee. Is that correct? I told the committee member while I believed what I said was the case, I was not absolutely sure and would check with you."

This is my contact's response:

"Chuck – good question. The answer is yes, with a caveat. So long as the same DRUG is being dispensed, AND it's being dispensed to the same MEMBER, regardless of the pharmacy, the MAC reimbursement amount would be the same (you're right that the dispensing fee could also differ.) The difference in the MAC occurs in that we operate different MAC lists for different clients. For example, a large teacher employee plan might want to discount the MAC for prenatal vitamins more aggressively than would the labor union for truck drivers, because of the population mix of women in that plan. Since that's where the plan's volume is, that is where they might seek a deeper discount. For example, you and I could go to John's pharmacy in Montpelier, pick up the same prescription, but because we have two different plan sponsors, the pharmacy could potentially be reimbursed two different amounts. Does that help?"

Please let me know if you have any further questions.

Sincerely--Chuck Storrow

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