



What is “white bagging” and “brown bagging”?

First, this practice pertains to specialty drugs, which Blue Cross Blue Shield pointed out in its earlier testimony require a prior authorization, special care, special handling, a certain temperature, care coordination and lab work. These are not the mail-order prescription drugs that show up on your doorstep.

Definitions for purposes of this bill:

White bagging: is when an insurer sends specialty drugs from a pharmacy of its choice to a health care provider for the provider to then dispense to the patient in the facility.

Brown bagging: is when an insurer sends specialty drugs from a pharmacy of its choice directly to a patient’s house and then has the patient bring the drug to the health care provider to dispense to the patient in the facility. This does not pertain to home infusions.

White bagging and brown bagging impairs quality and safety

Because the health care provider has no oversight or quality control over white bagging and brown bagging, the practice can and has led to bad outcomes, including:

- Delay in care because the drug was not delivered in time for the surgery
- Incorrect dosage supplied
- Supply chain integrity issues around storage and delivery

White bagging and brown bagging can increase costs to patient and providers

Delays in care and bad outcomes increase costs to patients and the overall health care system.

Additionally, under the current practice of white bagging and brown bagging, providers are not paid for storage, compounding, or administration of the medication. This bill would require payment for that work.

S.242 codifies current standards to ensure safety and quality

As Blue Cross Blue Shield pointed out in its testimony, they are already following the standards laid out in this bill. S.242 allows white bagging and brown bagging as long as safety and quality standards as long as the provider agrees to it.

If H.353, the pharmacy benefit manager bill, eliminates the ability for insurers to designate specialty pharmacies, then it will be even more important to codify the quality and safety standards set out in S.242.