



VAHHS Opposes Repealing Provider Choice for White Bagging

VAHHS opposes repealing the provider's ability to refuse white bagging for the following reasons:

- The JAMA Network Open published a [research letter](#) finding that white bagging results in lower payments to insurers but higher out of pocket payments for patients
- 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

If the committee moves forward, consider the following changes:

Maintain safety and quality requirements

The practice of "white bagging" comes with quality and safety issues because the provider has no control over whether the medication is delivered properly or left on their desk for hours. VAHHS requests that the Committee only eliminate provider choice while maintaining the safety requirements of the current law, which Blue Cross Blue Shield testified to already doing in 2022, by eliminating the following subsection:

~~(4) A health insurer or pharmacy benefit manager shall not, by contract, written policy, or written procedure, require that a pharmacy designated by the health insurer or pharmacy benefit manager dispense a medication directly to a health care setting for a health care professional to administer to a patient.~~

Reimburse provider work of administering the drug

White bagging has a financial impact because appointments may need to be rescheduled if the prescription drugs are delivered improperly. Also, there is no reimbursement for administering the drug. VAHHS recommends adding reimbursement to ensure that provider work is compensated by adding:

A health insurer shall reimburse for administering a medication that is dispensed directly to a health care setting.

Connect change to reduction in health insurance premiums

Ensure that Vermonters see a difference in their health insurance premiums with this change by adding the following language:

The Department of Financial Regulation shall monitor and annually report on the repeal of provider choice to dispense medication directly in a health care setting to show decreases in health insurance premium growth and out of pocket payments.

Sunset the Repeal

VAHHS requests a 2-year sunset of the repeal to determine if this change has a measurable impact on health insurance premiums.