



Ensuring patient access to quality pharmacy care services, the viability of community pharmacy and the pharmacy profession.

CSHB 3678 by Rep. Fred Brown:

- Saves HHSC between \$40 million and \$200 million, while keeping
- Keeps pharmacy 'carved out' of Medicaid managed care
- Preserves patient access to care.

PhRMA is misleading legislators regarding the Texas Vendor Drug Program.

1. HHSC's own study determined the cost of dispensing is higher than the fees in place last summer, and pharmacy has taken two big cuts since then!!!
2. Texas is number two in unnecessary Medicaid drug spending, **wasting \$31 million per year**, or **\$7.62 per enrollee** and **\$133.55 per brand script!** (Source: Overspending on Multi-Source Drugs in Medicaid by Alex Brill, American Enterprise Institute)
3. Again, HHSC's own numbers say the average cost per brand name drug is \$196, and \$24 per generic.

Facts about HHSC's determined march to move all Medicaid into managed care.

1. Most of the savings proposed by HHSC are the result of **increased premium taxes** on new business for HMOs. This **tax increase** will be passed on to private health plans, which will in turn pass the cost on to employers and health plan beneficiaries.
2. HMOs and PBMs are two more pockets to fill, **taking even more money away from direct patient care** to feed the middlemen profits.
3. HHSC's plans equate to **health care rationing** to make money for certain corporations rather than saving money for state taxpayers.
4. HMOs typically create pharmacy **networks that may not include your pharmacy**. And if it does, it takes a chunk out of any dispensing fees. This is in direct conflict with the Texas "Any Willing Provider" law.
5. Attorney General Abbott successfully prosecuted **federal false claims act cases** involving PBMs and pharmaceutical recouping millions of dollars for the state of Texas. However, as providers enter into contracts with HMOs, the **AG is prohibited from intervening** in those contractual agreements between non-governmental entities and Medicaid providers.
6. HHSC continues to steer business toward HMOs that it has sanctioned and levied **millions in fines for flunking performance standards**. One has to ask why, given the results of this outsourcing, does HHSC continue to push for expanded HMO involvement?
7. **We support helping HHSC save as much money as possible without disrupting patient access to care**. The average generic drug in Texas costs \$24. The average brand name drug costs \$196. The Texas Coalition of Community Pharmacies recommends a mandatory generic formulary, targeting 10 percent generic usage and saving the state between \$45 million and \$200 million.