



TPBC is a collaborative effort between American Pharmacies, an independent buying co-op, and the Academy of Independent Pharmacists-Texas. We represent approximately 1,700 Texas community pharmacies. Our mission is ensuring access to quality pharmacy services, the viability of community pharmacy and the pharmacy profession.

Prompt Pay & Audit Standards

[HB2292](#) by Rep. Todd Hunter (R-Corpus Christi) & [SB 1211](#) by Sen. Leticia Van de Putte (D-San Antonio)

- 1) PBMs should adhere to the same **audit standards** now in law for insurance plans for all other providers. Also needed are requirements that limit the use of extrapolation, and provide for clear and standard contract language.
- 2) Pharmacies should be **paid promptly, at least within 18 days** time of claim submission using an **electronic funds transfer (EFT)**.
 - a) All PBM claim filing and adjudication is done *electronically and virtually instantaneously*. A PBM has all the information it needs at the time of pharmacy service to review and authorize each claim.
 - b) PBMs are paid promptly from the plan sponsors, so PBMs should pay pharmacies promptly.
 - c) EFT is an almost universal method used by businesses to pay employees and bills.
 - d) The Texas Medicaid program pays pharmacies within 1012 days using EFT.

Background: Pharmacy benefit managers (PBMs) play the role of the “middleman” by contracting with an HMO, PPO, or other health benefit plan or employer to administer the prescription benefit portion of the plan’s health coverage. PBMs contract with pharmacies to create a network, process claims and perform many other tasks and services related to pharmacy benefits. Many also own a mail-order pharmacy. A lone pharmacy does not have sufficient negotiating power to obtain more favorable payment and audit provisions in its contract with a PBM.