

Texas Community Pharmacy Coalition

Support Rep. Fred Brown's CSHB 3678:

- **Save HHSC between \$40 million and \$200 million**
- **Keeps Medicaid drug program out of the hands of PBMs**
- **Preserves patient access to care**

Facts about HHSC's determined march to hand over the Texas Medicaid drug program to PBMs.

1. Most of the savings proposed by HHSC are the result of a new increased premium tax on HMOs. This tax increase will be passed through private health plans, which will in turn pass the cost on to employers and health plan beneficiaries.
2. PBMs create restricted pharmacy networks that may not include your pharmacy. Medicaid patients may lose access to their pharmacy of choice.
3. A recent study by the American Enterprise Institute estimates that Texas Medicaid wastes \$31 million per year on overuse of brand name drugs. Rep. Brown's amendment helps prevent this waste by a mandatory increase in the use of generic drugs.
4. Other states are backing away from PBMs in their Medicaid programs. They have found that a centralized management ensures greater compliance, greater control, and LOWER drug costs. For instance, the state of Ohio recently reclaimed control of their Medicaid drug program from eight managed care organizations with a projected savings of \$243.6 million.