NATIONAL COMMUNITY PHARMACISTS ASSOCIATION

Controlling PBM Conflicts of Interest Does Not Raise Healthcare Costs

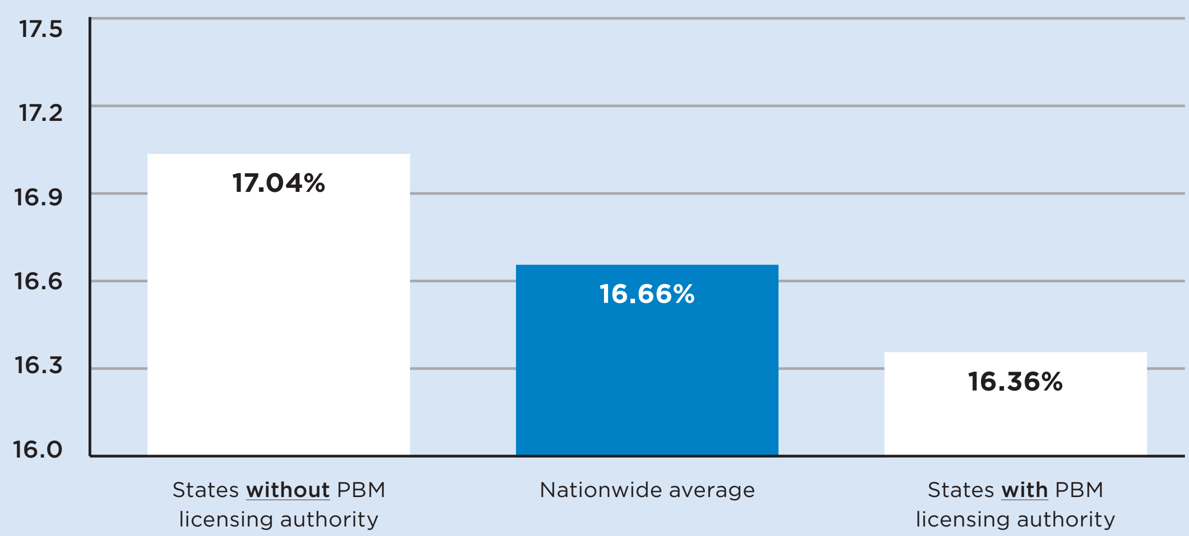
State legislative efforts protecting patients from pharmacy benefit managers' (PBMs') conflicts of interest **do not raise health insurance premiums**. PBMs claim that legislation protecting patients, payers, and pharmacies from their opaque business practices raise health insurance costs. But the facts tell another story!

If legislative limits on PBM conflicts of interest result in higher health care costs, as the middlemen claim, states with PBM regulatory oversight authority would see their health insurance premiums outpace those of states without PBM oversight. But this simply isn't the case.

Between 2015 and 2019, health insurance premiums increased at a nationwide average of 16.66%. The premium increase in states with licensing authority over PBMs during that period was **.3% below the national average**, while states without licensing authority saw their premiums increase **.4% above the national average**!

PBMs have enormous control over patients' prescription drug benefits. They design formularies and provider networks, giving them outsized influence over which medications are covered and which pharmacies a patient can utilize. Ultimately, legislative efforts limiting PBM conflicts of interest help patients by empowering them to make healthcare decisions for themselves, decreasing their out-of-pocket costs, and protecting access to community pharmacy services; all without raising health insurance premiums.

Increase in health insurance premium costs by percentage (2015-2019)[1]



1. Numbers based on data from the Kaiser Family Foundation (www.kff.org).

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THE VOICE OF THE COMMUNITY PHARMACIST®

100 Daingerfield Road
Alexandria, VA 22314-2888
703.683.8200 PHONE
703.683.3619 FAX