

PLUMMETING REIMBURSEMENTS THREATEN TEXANS' PHARMACY CARE **SUPPORT HB 1293**



A robust network of pharmacies is vital for our state's Medicaid patients. Managed-care reimbursements have plummeted as pharmacy costs soar in an inflationary era. This reimbursement gap threatens the survival of Medicaid pharmacies, especially in rural and low-income areas.

High TX Dispensing Costs

A 2014 Myers & Stauffer study set the average Medicaid dispensing cost in TX at **\$9.78**.

A 2020 study by NACDS/NCPA found the average TX dispensing cost had risen to **\$13.73**, sixth highest in the nation.

FEES: State Vs. PBMs

After the 2014 study, TX raised its dispensing fee in the Fee for Service (FFS) area of Medicaid to an average of **\$10.12**.

Managed-care PBMs routinely pay TX Medicaid dispensing fees that range from \$0 to <\$1.

Growing Reimbursement Gap

Managed-care PBMs use proprietary price lists to reimburse pharmacies at less than acquisition cost for the drugs they dispense. **A growing number of drugs are now dispensed at a financial loss.**

WHAT PHARMACIES & PATIENTS NEED

- ★ Require PBMs to pay Texas Medicaid pharmacies for product (medication) cost and dispensing fee at the same levels at which the state pays in the FFS Program.
- ★ Require HHSC to regularly study the retail cost of dispensing drugs in Texas and afterward adjust the Medicaid dispensing fee based on the study results.

HOW TEXAS BENEFITS

- ★ TX supports a robust network of Medicaid pharmacies driving drug adherence, which reduces costly ER visits and hospital stays.
- ★ Pharmacies receive a vital investment they need to keep providing critical vaccines and testing services.
- ★ Consistent Medicaid reimbursement brings the state transparency & an accurate view of drug costs.

**This Critical Legislation is Supported
by All Retail Pharmacy Groups in Texas**

