Below is a synopsis of the California Board of Pharmacy virtual meeting held on February 18 to discuss white bagging.

The purpose of this meeting was to educate the Enforcement and Compounding Committee on white bagging from the physician perspective, highlighting the challenges and impact on practice and patients. Attendees also included: MOASC (Warren Fong, M.D., Vu Phan, M.D., Lawrence Piro, M.D. and Nichole East, CAE) and Representatives from: ANCO, City of Hope, COA, NOSN and others not identified on line.

Presentations:

1. Department of Managed Health Care
2. California Association of Health Plans
3. California Medical Association
4. California Hospital Association
5. California Children's Hospital Association
6. Cedars-Sinai Medical Center
7. California Society of Health Systems Pharmacists
8. Keck Medical Center of USC
9. PIH Health

Public comment:
MOASC and eight others shared comments on the serious concerns of white bagging and the negative impact on patients and the practice.

Warren Fong, M.D. and Vu Phan, M.D., stated that the practice of white bagging violates both California patient steering laws and insurer hindrance of medical decision-making laws.
As the Committee was not aware of either of the two laws and their applications to this issue, MOASC provided the Committee with both statutes.

1. Health and Safety Code HSC, Chapter 2.2 Health Care Service Plans [1340-1399.864, Article 5. Standards 1367.22 (c). *"…This section shall not be construed to restrict or impair the application of any other provision of this chapter, including, but not limited to, Section 1367, which includes among its requirements that* ***plans furnish services in a manner providing continuity of care and demonstrate that medical decisions are rendered by qualified medical providers unhindered by fiscal and administrative management…"***

White bagging is not commonplace across the country. White bagging would not be legal under CA law. If forced in CA, it will be in violation of CA law. Any interference in that medical decision-making will absolutely be a hindrance from insurer fiscal and administrative management and will adversely affect both providers and their patients.

2. Health and Safety Code HSC Division 1. Administration of Public Health [135-1179.102], Part 1.9 Medical Referral Services [334-445]. *"…No person, firm, partnership, association or corporation, or agent or employee thereof, shall for profit refer or recommend a person to a physician, hospital, health-related facility, or dispensary for any form of medical care or treatment of any ailment or physical condition.* ***The imposition of a fee or charge for any such referral or recommendation creates a presumption that the referral or recommendation is for profit…"***

White bagging mandates violate CA patient steering laws. Whether or not the insurance company owns a designated specialty pharmacy (and most do), it seems likely that there will be a financial gain to them for mandating that drugs are white bagged to physicians from that pharmacy, which would be a violation of CA patient steering laws.

MOASC has submitted comments to Representatives of the Board of Pharmacy.