

**From:** [Jane Pierson](#)  
**To:** [Helen Phillips](#)  
**Subject:** FW: HB240 What are MAC prices  
**Date:** Wednesday, February 14, 2018 5:32:01 PM

Can you please add to HB 240

**From:** Rep. Neal Foster  
**Sent:** Wednesday, February 14, 2018 2:29 PM  
**To:** Jane Pierson <Jane.Pierson@akleg.gov>  
**Subject:** Fwd: HB240 What are MAC prices

Begin forwarded message:

**From:** Gerald KW Brown <[medicalcenterpharmacyone@yahoo.com](mailto:medicalcenterpharmacyone@yahoo.com)>  
**Date:** February 14, 2018 at 11:48:20 AM AKST  
**To:** [Representative.Neal.Foster@akleg.gov](mailto:Representative.Neal.Foster@akleg.gov)  
**Subject:** HB240 What are MAC prices

Dear Representative Neal Foster  
State of Alaska  
Juneau, Ak 99503

Dear Representative Foster,

## What are MAC Prices?

- MAC Prices established by PBMs have contributed to over \$33,000.00 in negative revenue, FY2017 to my small pharmacy.
- In 2017, when my pharmacy submitted a claim, 19-46% of the time depending on which PBM the patient had it generated a negative revenue. The appeal response from the PBM has been the MAC list price is available in the market place... 240 of 241 times. We do not believe this to be true, especially for like-pharmacy types.
- These are prices that are set by the PBM at levels that they believe are available in the market place, but are not. So says many pharmacies across the nation.
- The artificially low price set points mean that the little retail pharmacies are subsidizing multi-billion dollar PBM corporations (TOP 50 or in some cases TOP 10 corporations in the US.) Who paid their CEO's \$9-66 Billion dollar bonuses last year.
- When the dispensing fees are \$0.25 to \$1.00 per prescription and you reimburse negative amounts of the cost of the drug this is significant.

Audits to other pharmacies in the state with extrapolation can be \$25,000.00 to \$75,000.00. Those fines have closed several independent pharmacies in Alaska over the past 15 years.

Despite what they (CVS/Caremark, Teamsters, Express Scripts) or any other PBM have told you. They did not make adjustments to the positive on 1/10/18, most likely it was still negative. We saw a small return to July prices on a few items in February 2018.

If you look at the screwy way they treat the same product over time, when our costs went up or did not change, the MAC Rate went down sometimes dramatically. I could sit here and submit pages of negative revenue, but it is beginning to be apparent that it is a waste of my time, as they continue to tell me that it is available in the market place. One of the market place surveyed should be the wholesaler located in this state. PBM's have no basis for their MAC justifications. We need an honest broker, an impartial third party and an impartial place to appeal unavailable prices in a timely manner.

Standard reply.

2660610	P_7c81289bcc89000f	12/26/17	12/26/17	200624	AK	Rx Number	CLONIDINE DIS 0.3/24HR	Price remains based on CVS Health's review of current market price range.
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So far this year negative revenue picture has not changed.

Group	January	Dollars negative	% of total	Feb to 2/13/18	Dollars Negative	% of total
Total	281	\$4481.11	100%	103	\$1417.05	100%
Other CVS	50	\$593.59	13.2%	33	\$176.28	12.4%
AK Retiree	118	\$2319.35	51.7%	38	\$933.57	65.8%
Other PBMs	113	\$1570.17	35%	32	\$307.20	21.7%

Please pass HB240 out of committee, delivery of good healthcare in Alaska depends on it.

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