

New Site Spotlights PBM Fees that Raise Medicare Costs on Seniors as Seeking Lifesaving Medications

National Association of Specialty Pharmacy Launches New Hub to Educate & Empower Americans to Combat DIR Fees

WASHINGTON, DC (August 14) – Today, the National Association of Specialty Pharmacy (NASP) launched **StopDIRfees.com**, a new website that spotlights the increasingly negative consequences of Direct and Indirect Remuneration (DIR) fees. These fees are inflating prescription drug costs for the sickest, most vulnerable seniors – the very patients the Medicare Part D program was designed to protect – and threatening the specialty pharmacies that serve the unique needs of patients living with complex, life-altering, and often life-threatening diseases.

"Big Pharmacy Benefit Management firms (PBMs) have worked hard to make DIR fees so complicated and opaque that very few people understand how they impact sick seniors enrolled in Medicare," said **Sheila Arquette, Executive Director of NASP.** "DIR fees endanger the integrity of the Medicare Part D program, which is intended to ensure quality, satisfaction, and cost effectiveness for sick seniors across the nation. While debates continue over runaway prescription drug prices from Capitol Hill to local town halls, sick and vulnerable seniors are increasingly shouldering the brunt of DIR fees, which erode access to the vital clinical and patient support services required of such breakthrough specialty medications. StopDIRfees.com exposes how these dangerous and misaligned fees threaten both seniors' pocketbooks and our entire healthcare system."

A <u>recent paper published in JAMA Internal Medicine</u> finds that due to the structure of the Medicare Part D benefit design, rebates and remunerations – including DIR fees – actually increase patients' out of pocket costs. Dr. Peter Bach, director of Memorial Sloan Kettering Cancer Center's Center for Health Policy and Outcomes, and a co-author of the paper, calls current Medicare system "absolutely devastating for people on high-cost specialty drugs."

"Big PBMs risk putting profits over patients, and squeezing out the specialty pharmacies working as an extension of physicians treating sick seniors as they manage complex, life-altering, or life-threatening diseases," said **Rebecca Shanahan, NASP President and CEO of Avella Specialty Pharmacy**. "It's time for Washington to take action by requiring PBMs to stop DIR fees and enhance transparency by opening up their 'black box' of information. We need big PBMs to engage in an open and honest discussion around containing prescription medication costs for sick seniors, and work with specialty pharmacies to establish standards and incentives that apply to the unique services provided or patients treated by specialty pharmacies."

StopDIRfees.com is a hub of educational materials and resources for patients, healthcare providers, legislators, government administrators, industry analysts, media, and taxpayers. The site provides information and testimonials to show how big PBMs impose DIR fees to rig the Medicare system to direct more profits into their pockets. StopDIRfees.com also features an online petition and contact information for constituents to call or write their elected officials and urge them to stop DIR fees.

About Specialty Pharmacy - Specialty pharmacy provides medications to treat patients with serious, chronic, rare, progressive, or debilitating disease (or fatal if left untreated or undertreated). Examples of these illnesses include cancer, hepatitis C, infectious disease, infertility, Crohn's disease, rheumatoid arthritis, psoriasis, HIV/AIDS, multiple sclerosis, Cystic Fibrosis, organ transplantation, human growth hormone deficiencies, hemophilia, and other bleeding disorders. According to the Drug Channels Institute and other sources, specialty pharmacy drugs will represent 44% of the U.S. drug spend by the year 2020.

National Association of Specialty Pharmacy (NASP)

NASP was founded in 2012 and is the only national trade association representing all stakeholders in the specialty pharmacy industry. The core mission of NASP is to provide educational programs to pharmacists and other healthcare professionals, and to promote specialty pharmacist certification for specialty pharmacy professionals. NASP also serves as an advocate for public policies that ensure patients have appropriate access to specialty medications in tandem with critical services. In addition to providing medications to severely ill patients, specialty pharmacy also focuses on support programs and services to ensure patients realize the maximum clinical benefit from their medication, therapies and services, working to ease the treatment burden for patients, families and caregivers as they work to manage these tough conditions.

NASP President Rebecca Shanahan recently wrote a letter calling on the Centers for Medicare and Medicaid Services (CMS) to curb these below-cost reimbursements to specially pharmacies by PBMs, clarify Medicare definitions, and promote accurate and responsible reimbursement. She also authored an Op-Ed for The Hill, calling on Congress to protect seniors and taxpayers from these unwarranted fees.

For more information, visit www.naspnet.org.

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