



# Open Networks Are Needed for Specialty Pharmacies

## The Issue

Pharmacy benefit managers (PBMs) and other entities have imposed restricted networks on patients that limit them to a specific specialty pharmacy and prevent other pharmacies from serving them. Restrictive networks are problematic because they force patients to abandon relationships with their preferred pharmacy for a preselected retail or mail order pharmacy that often lacks the specialty services provided by independent specialty pharmacies. Additionally, restrictive networks are problematic for the competitive market because they lock out pharmacies that are willing to meet the network terms and conditions.

In August 2015, the Centers for Medicare & Medicaid Services (CMS) issued guidance that Part D sponsors must contract with any pharmacy that meets the Part D’s standard terms and conditions by September 2015. Innovatix strongly supports the CMS guidance, which will allow participation by all pharmacies that are willing to meet the network’s terms and conditions, including specialty pharmacies that service patients with complex diseases.

## Background

Specialty drugs are generally defined as medication treatments for chronic, complex, and/or rare conditions and diseases. These highly specialized drugs can be injectables (including self-injectables), infused, or oral medications that often require special storage, handling, or administration. All of these drugs require close patient assessment, monitoring, education, and follow-up. Specialty drugs are costly, both in the aggregate and on a per-patient basis, and difficult for patients to take without ongoing clinical support.

Specialty pharmacies differ from traditional retail pharmacies in that they must have enhanced capabilities to manage the care of the patients using these drugs. Specialty pharmacies create and offer disease state management programs to



ensure appropriate medication use and to educate patients about drugs and their side effects. Additionally, specialty pharmacies use data and reporting systems to track/support medication adherence. These services help deliver better patient outcomes and lower overall costs. When plans or manufacturers impose narrow networks, patients’ access to these vital medications and related services is threatened. In addition to the guidance that Part D sponsors must contract with any pharmacy that meets Part D’s standard terms and conditions, the agency should verify that each sponsor has a specialty pharmacy in network that can provide patients with access to necessary specialty medications.

## Our Position

Innovatix supports the CMS’ guidance for Part D sponsors to comply with Any Willing Pharmacy requirements. The policy will open specialty pharmacy networks to allow participation by all pharmacies that are willing to meet the network’s terms and conditions--ensuring increased pharmacy participation, and as a result, protecting access to services for patients with highly complex disease states.