

Protect Access to Physician-Administered Therapies

Many important medications used to treat rheumatologic and other inflammatory conditions are administered by the provider in an office setting. This includes treatments for rheumatoid arthritis (RA), psoriatic arthritis (PsA), ankylosing spondylitis, juvenile idiopathic arthritis (JIA), lupus, gout, Crohn's disease, and multiple sclerosis, among others. These treatments are life changing for patients, reducing work absenteeism, hospitalizations, disability, and death.¹ Because of the special handling requirements for these medications, physicians purchase them directly and store them at their practices until they are needed by a patient.

Access to Physician-Administered Therapies Under Threat

Recently, some insurance companies and pharmacy benefit managers (PBMs) are changing their processes for access to critical physician-administered treatments by requiring patients to purchase medications through specialty pharmacies that are owned by the PBM or insurer. This allows PBMs to make a large profit on the rebates they demand from drug manufacturers. This drives drug prices higher, and patients are stuck with higher out-of-pocket costs and reduced access to needed therapies. This has the potential to cause disruptions in care by adding a layer of red tape and financial burden to the patient.

Physician Purchasing of Medications Promotes Access and Helps Control Costs



Greater Access to Treatment: When insurers and PBMs require patients to purchase medications through their specialty pharmacy, rheumatologists are often unable to continue offering that treatment in their office. Patients are forced to seek treatment in a more expensive and less convenient site of care. Patients can lose access altogether when there is not another site of care.



Lower Overall Costs: Traditionally, physicians directly purchase medications for in-office administration, which helps control overall drug costs. When physicians negotiate a lower drug purchase price, any discounts or rebates they receive are factored into the drug's average sales price (ASP), creating a downward pressure on drug prices. In contrast, rebates negotiated by PBMs lack transparency and lead manufacturers to increase drug costs to offset the large and profitable rebates the PBMs demand, and which are necessary to secure preferred formulary status.² For patients, this change could create a financial hardship. Patients would have to pay their out-of-pocket costs for their drug before the drug could be delivered to the site of care, which would greatly diminish the ability of the physician's staff to assist the patient, and it is also unclear whether patients would be able to use co-payment assistance, which many of them rely on to afford their medications.



Better Oversight of Drug Chain of Custody: Physician purchasing gives practices full control over the purchasing, handling, storage, and administration of these complex drug therapies. This is particularly important for biologic medications with significant potential toxicity and specific handling requirements.



Potential for Less Drug Waste: When patients are required to purchase drugs directly from a specialty pharmacy, the drug is designated for their use only. If that patient cannot use the medication for any reason [i.e., infection, change in medical history, intolerance], their doctor must throw away the unused medication, leading to hundreds of thousands of dollars in wasted medication.

1 Cush JJ. "Early Rheumatoid Arthritis: is there a window of opportunity?" *J Rheumatol Suppl* 2007;80:1-7.

2 Grant C. "Hidden Profits in the Drug Prescription Chain." *The Wall Street Journal Online*.

<https://www.wsj.com/articles/hidden-profits-in-the-prescription-drug-supply-chain-1519484401>. Accessed Feb 5, 2020.