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**FOR IMMEDIATE RELEASE**

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**PSSNY COMMENDS SENATORS JAMES SKOUFIS AND SENATE COMMITTEE ON INVESTIGATIONS AND GOVERNMENT OPERATIONS FOR THEIR PHARMACY BENEFIT MANAGERS INVESTIGATIVE REPORT**

**Report Shows the Negative Effect Pharmacy Benefit Managers are Having on Patients and Taxpayers in the State of New York**

ALBANY, NY (June 4, 2019) – The Pharmacists Society of the State of New York (PSSNY) would like to thank Senator James Skoufis, Chair of the Senate Committee on Investigations & Government Operations, and all of the Committee members and Staff for their work leading to the publication of a report detailing the practices of Pharmacy Benefit Managers (PBMs) in New York State.

The report, titled [Senate Investigations and Government Operations Committee Releases Full Report on Pharmacy Benefit Managers](#), confirms PSSNY's long held position that the practices of the PBM industry are not in the best interests of New York taxpayers, pharmacies or most importantly, patients. Rather, PBMs operate as the only unlicensed and unregulated entities in health care and take advantage of a lack of oversight, accountability, and transparency to act in their own self interests.

The report offers both key findings and legislative recommendations:

- How PBMs generate revenue through spread pricing.
- How a lack of PBM transparency and oversight has led to an environment in which PBMs engage in mandatory mail order pharmacy and patient steering/self-dealing -- to the detriment of consumers across New York State.
- New York State must take immediate action to regulate the practices of spread pricing, Maximum Allowable Cost (MAC) appeals, mail order operations, and reimbursements.
- The New York State Comptroller should perform a full audit of all dollars paid to PBMs via spread pricing.

Regulatory recommendations include:

- Regulate spread pricing in all pharmacy benefit contracts
- Enhance the transparency of MAC appeals
- Require the licensing and registration of PBMs to enhance accountability and oversight, instituting a fiduciary duty for their clients
- Prohibit PBMs from mandating that patients use specialty and mail order pharmacies
- Provide for adequate and transparent reimbursements for pharmacies
- Require PBMs to pass-through all discounts or rebates received from drug manufacturers to its Medicaid managed care clients

PSSNY also acknowledges the often-made recommendation to return the State’s Medicaid pharmacy reimbursements to fee for service, and fully and unequivocally endorses the removal of PBM middlemen in the Medicaid arena to protect taxpayers, beneficiaries and community pharmacies throughout New York.

As PSSNY stated following the release of our own [January 2019 report on PBM practices](#), “PSSNY and its member pharmacists will not stand by and allow these “middlemen” to continue to profit at the expense of pharmacists, other health care providers, patients, and taxpayers. PSSNY will work with our elected officials and other allies to see New York take its rightful place as a national leader and immediately enact comprehensive, strongest-in-the-nation PBM reform.”

PSSNY applauds the Senate Committee’s work and encourages the Legislature and the Governor to immediately pass and sign into law legislation that will accomplish these goals.

The Pharmacists Society of the State of New York (PSSNY) has served as the society for the state’s pharmacists for more than 138 years providing advocacy and resources to pharmacists to improve patient care. To learn more about PSSNY, visit [www.PSSNY.org](http://www.PSSNY.org).

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