



## Support the Medicaid Reform and Transparency Package

**The Medicaid Reform and Transparency Package addresses much needed changes to ensure fairness and transparency in the pricing reimbursements and other practices of Pharmacy Benefit Managers (PBMs) as fiscal stewards of taxpayer money.**

- **HB 941**, sponsored by Rep. Doyle Heffley (R-122) and Rep. Robert Matzie (D-16) requires transparency in the Pharmacy Benefit Managers (PBMs) dealings with the Managed Care Organizations and the Department of Human Services. Almost 90 percent of Pennsylvania Medicaid patients are served by managed-care companies that contract with the state. In turn, those companies contract with PBMs for the management of their pharmacy programs. This legislation would require transparency between the payments from the MCOs to the PBMs and then to pharmacies. This legislation would also ensure fair reimbursement rates for community pharmacies.
- **HB 942**, sponsored by Rep. Seth Grove (R-196) would add one member from all four caucuses and two additional community pharmacists to the Pharmacy & Therapeutics Committee (P&T). The P&T committee establishes the drug formulary lists for the Medicaid program.
- **HB 943**, sponsored by Rep. Valerie Gaydos (R-44), would remove gag clauses in Medicaid. When PBMs contract with pharmacies, many times the contracts contain gag clauses, which prohibit a pharmacist from disclosing information to their patients that could substantially reduce the patient's out-of-pocket costs for their prescription medications. Additionally, some PBMs are prohibiting pharmacists from disclosing information to legislators and other officials and this bill would prohibit those gag clauses as well.
- **HB 944**, sponsored by Rep. Jonathan Fritz (R-111), would allow the Auditor General to audit all contracts between the Department of Human Services and the Managed Care Organizations as well as the contracts between the MCOs and the PBMs.
- **HB 945**, Conflict of Interest legislation, would prevent a Managed Care Organization from using a Pharmacy Benefit Manager for Medicaid if the PBM is part of a larger company that also owns retail pharmacies.