



The Patient's Right to Pharmacy Choice Act Advisory Committee Meeting Minutes for August 4, 2020

- I. Meeting - Committee Members were selected by the Insurance Commissioner, Attorney General, Governor and the OPHA.
- II. Welcome to the Committee members with a self-introduction of each member, OID support staff, and Presenters
- III. Roll Call Members Present: Bill Moore, Rose Thomas-Bendel, Melanie Maxwell, Toby Baldwin, Jim Consedine, Mark Lewandowski, Mary Ann Roberts
- IV. The Patient's Right to Pharmacy Choice Act - Presented by Sara Worten, OID Legal Dept.
 - Powers of the Insurance Commissioner
 - Retail Pharmacy Network Access Standards
 - (a) Urban Service Area – 90% covered individuals within 2-5 miles of retail and preferred pharmacies
 - (b) Suburban Service Area – 90% covered individuals within 5-7 miles of retail and preferred pharmacies
 - (c) Rural Service Area – 70% covered individuals within 15-18 miles of retail and preferred pharmacies
 - Insurers utilizing the services of a PBM must conduct a network adequacy audit
 - Freedom of Choice – Health Insurer or PBM must not restrict the choice of in-network provider for prescription drugs
 - Penalties against PBM for noncompliance with the Patient's Right to Pharmacy Choice Act
 - a) Insurance Commissioner may issue a fine, and/or
 - b) Suspension of license, or
 - c) Revocation of license

V. PSAO 101 - Presented by Melanie Maxwell, Senior VP, Pharmacy Services, PPOk

- What is a PSAO (Pharmacy Services Administrative Organization)? Entities that provide various administrative services to independent pharmacies and act as an intermediary with third-party payors.
- The importance of a PSAO is the Ownership Structure:
 - (a) Wholesaler
 - (b) TPA
 - (c) Buying Group
 - (d) Independent
- Why do Pharmacies choose a PSAO?
 - a) Improved Terms with Payors
 - b) 1 Knowledge Source vs. Hundreds of Payors
 - c) Cost Effective Programs to Lower Overhead

VI. Director's Report by Ronald White D.Ph.

- Purpose of this Advisory Committee is to review cases, ask questions, provide recommendations to the Insurance Commissioner related to violations of the Act and potential enforcement actions.
- The committee discuss potential conflicts of interest
- The committee supports not identifying the following in case presentations
 - (1) Complainant Pharmacy or Consumer
 - (2) Potential Violating PBM/Health Plan
- Currently investigating 900 plus complaints; number could be reduced based on court's decision.

VII. New Business: Next Committee meeting will be scheduled in October 2020.

VIII. Adjournment