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**LIPA STATEMENT OF SUPPORT TO END SAFE HARBOR PROTECTIONS FOR  
PHARMACEUTICAL MANUFACTURER REBATES TO PHARMACY BENEFIT MANAGER  
AS PROPOSED BY THE U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES**

BATON ROUGE, LA (March 1, 2019) -- Healthcare is built on a foundation of trust. Patients trust their doctors and pharmacists. However, because of the secretive, back-door practice of pharmacy benefit manager (PBM) middlemen negotiating and keeping drug manufacturer rebates for themselves, many patients have been left to wonder if the system is working for them or against them.

Manufacturer-to-PBM rebates are dubious at best and will result in long-term harm to patients who cannot afford to keep pace with ever-increasing medicine costs. As such, LIPA supports the U.S. Dept. of Health and Human Services proposed rule to end the “safe harbor” protections that have allowed PBM middlemen to collect and keep rebates for themselves.

We appreciate the work of the Trump administration and Sec. Azar’s efforts to reduce prescription costs, ensuring necessary medications are available to American patients who depend on them for better health outcomes. As we fight the access issues caused by drug manufacturer rebate ‘kickbacks’ and other price manipulations, we will continue to support the administration’s effort to lower prescription drug costs for patients, working with our congressional delegation and other leaders in Washington to see this effort through.

Although Louisiana has successfully protected patients and independent pharmacies from some of the ill-effects of a broken healthcare system, there is still work to be done to lower prescription medicine costs and protect the relationship between patients and their hometown pharmacies. Pharmacies continue to be subject to PBM price manipulations, including the illegal practice of clawbacks - charging the patient more for a drug than the non-insurance “cash” price and then “clawing back” the difference as profit - and direct and indirect remuneration, a “rebate” system that is supposed to help lower the cost of Medicare premiums but so far has shown no evidence of working.

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