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## **HR Policy Association Certifies 13 Pharmacy Benefit Managers Willing to Provide Full Transparency in Drug Contracting in 2008**

*Variety of PBMs in the Marketplace Agree to the Association's Transparency In Pharmaceutical Purchasing Solutions (TIPPS) Standards*

**Washington, DC**—Today, HR Policy Association is proud to announce that it has certified five new pharmacy benefit managers (PBMs) and recertified eight PBMs that have agreed to do business in a fully transparent manner. The certified and recertified PBMs are:

Aetna Pharmacy Management	Medco Health Solutions, Inc.
Blue Cross and Blue Shield of Alabama	Prime Therapeutics LLC
CVS Caremark	RESTAT LLC
Catalyst Rx, A HealthExtras Company	SXC Health Solutions, Inc.
CIGNA Pharmacy Management	Walgreens Health Initiatives
Express Scripts	WellPoint NextRx
Humana Pharmacy	

These PBMs have committed to meet the HR Policy Association Pharmaceutical Coalition's standards, which provide employers with the most rigorous level of drug purchasing transparency available in the marketplace. Each year, through the Coalition's Transparency in Pharmaceutical Purchasing Solutions (TIPPS) initiative, employers formulate a uniform definition of transparency and annually certify organizations that agree to TIPPS standards.

The Coalition, chaired by Sidney C. Banwart, Caterpillar Inc. Vice President, with administrative responsibility for the Human Services Division, is made up of more than 55 large employers who purchase pharmacy benefits for more than five million Americans. "We are thrilled at the progress we've made with the TIPPS program. The number of PBMs that have recommitted as well as new PBMs that have agreed to do business in a fully transparent manner proves how employers can improve the health care market by working together. In only three years, the Association has moved from three organizations willing to meet our standards, to 13 today, even as the standards become more rigorous," said Banwart.

"TIPPS proves that employers and companies that provide health care services working together can bring greater transparency and value to our health care system. Companies that have moved or are considering moving to a TIPPS arrangement, expect to save money. This is no small feat in today's health care marketplace," said Jeffrey C. McGuinness, President of HR Policy Association.

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The growing number and breadth of organizations within the PBM market willing to meet the TIPPS standards, demonstrates that the call for transparency is being heard. The TIPPS standards promote contracting that makes it easier for employers, their beneficiaries and dependents to understand the true price of a drug.

TIPPS standards are designed to ensure pharmacy benefit services are structured to encourage the use of the most cost-effective, clinically appropriate drug available. The Coalition engaged Hewitt Associates, a global human resources services company, to define the standards, which include providing Coalition members:

- the PBM's acquisition cost for brand and generic drugs dispensed at retail pharmacies;

- acquisition-based pricing for brand and generic drugs delivered through mail service;

- disclosure and pass through of all revenue from drug manufacturers that relates to utilization under an employer's contract;

- acquisition-based pricing and the same level of transparency for especially costly specialty pharmacy drugs; and

- rigorous audit rights to ensure compliance with the TIPPS standards.

HR Policy Association is a public policy advocacy organization representing the senior human resource executives of more than 250 leading employers doing business in the United States. Collectively, its members employ over 12 percent of the U.S. private sector workforce or some 19 million Americans. Due to extreme concern over skyrocketing health care costs in the United States and deficiencies in efficiency and quality, the Association has been working through its public policy agenda and market reform initiatives to address the problems that plague our nation's health care system.

Transparency in Pharmaceutical Purchasing Standards and TIPPS are service marks of Health Care Policy Roundtable, LLC.

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