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HR Policy Association Certifies 15 Pharmacy Benefit Managers Willing to Provide Full Transparency in Drug Contracting in 2009

Growing Number of PBMs Accepting Association's Transparency In Pharmaceutical Purchasing Solutions (TIPPS) Standards

Washington, DC—Today, HR Policy Association is proud to announce that it has certified 3 new pharmacy benefit managers (PBMs) and recertified 12 PBMs that have agreed to do business in a fully transparent manner. The certified and recertified PBMs are:

Aetna Pharmacy Management

Blue Cross and Blue Shield of Alabama

CVS Caremark

Express Scripts, Inc.

Humana Pharmacy Solutions

informedRx, an SXC company

Medco Health Solutions

MedImpact Healthcare Systems, Inc.

Prescription Solutions

Prime Therapeutics, LLC

ProCare Rx

RESTAT LLC

UnitedHealth Pharmaceutical Solutions

Walgreens Health Initiatives, Inc.

WellPoint NextRx

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 certify organizations that agree to TIPPS standards.

The Coalition, chaired by Sidney C. Banwart, vice president and chief human resources officer of Caterpillar, Inc., is made up of nearly 60 large employers who purchase pharmacy benefits for more than five million Americans. "We're impressed with how far we've moved the market with the TIPPS program. The growing acceptance of HR Policy Association's standards is a testament to how employers can improve the health care market by working together. In four years, the Association has moved from 3 organizations willing to meet our standards, to 15 today, representing more than 50 percent of the large employer market," said Banwart.

"TIPPS is about working together as leading employers to create the highest expectation for transparency and value in our health care system. Our members who have taken advantage of TIPPS arrangements have saved their companies and employees millions of dollars. We are very pleased that more PBMs are embracing these standards," said Jeffrey C. McGuinness, president of HR Policy Association.

The TIPPS standards promote contracting that makes it easier for employers, their beneficiaries and dependents to understand the true price of a drug. These standards are designed to ensure that pharmacy benefit services are structured to encourage the use of the most clinically appropriate and cost-effective drugs available. The Coalition engaged Hewitt Associates, a global human resources services company, to define the standards, which include:

- Providing employers the acquisition cost for brand and generic drugs dispensed at retail pharmacies;
- Providing employers acquisition-based pricing for brand and generic drugs delivered through mail service;
- Disclosing and passing through all revenue from drug manufacturers that relates to utilization under an employer's contract;
- Providing acquisition cost and the same level of transparency for especially costly specialty pharmacy drugs; and
- Allowing 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 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.

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