



Rx newsletter

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Market trends

Retail Pharmacy Walkouts

U.S. drugstore chains are seeing an increase in brick-and-mortar closings.

Throughout 2023, there has been a notable trend of retail pharmacies reducing operating hours and shuttering their doors. Major drugstore chains such as CVS, Walgreens, and Rite Aid have announced additional closings of roughly 1,500 stores through 2024.¹ The pharmacies that have remained open have experienced a decrease in their operating hours. While each chain has provided specific reasons for these closures and changes in hours, these adjustments continue to impact staff and consumers alike.

Walgreens and Rite Aid have attributed the reduction in operating hours to the national labor shortage.² Community pharmacies have reported difficulties in filling open positions for both pharmacists and pharmacy technicians, which they attribute to the aftermath of the COVID-19 pandemic. Walmart has not only reduced the hours of their pharmacies due to the labor shortage but has also decreased pharmacist work hours, citing a decrease in drug demand and pharmacists' requests for better work-life balance.³

Impact of decreased hours and labor shortage

According to the American Pharmacists Association (APhA) and the National Alliance of State Pharmacy Associations (NASPA)'s 2022 National Pharmacy Workplace Survey, work environment factors are contributing to pharmacy staff's difficulty performing their clinical and non-clinical duties effectively.⁴

The top three issues noted in the survey impacting both pharmacists and their staff include:

- Increase demand and harassment from patients.
- Concerns due to insufficient and ill-trained staff.
- Employer's focus on production results (including immunizations).

The COVID-19 pandemic has had a significant impact on pharmacy operations, exacerbating existing issues and creating new challenges. Consequently, there is a decrease in available time for patient consultations, which in turn increases the risk of medication errors. This situation puts patient lives and pharmacy licenses at risk.

Pushing for change

The frustrations are now coming to a head with Walgreens' pharmacy staff walking out on October 9, 2023, in a non-union planned action. Thousands of Walgreens employees across the U.S. participated in a walkout lasting through October 11, 2023, causing some locations to have to close due to a lack of staff. According to Becker Hospital Review, "organizers cited multiple reasons for the walkout, including burnout from understaffing and heavy workloads, patient situations escalating in violence, and the lack of mandatory training hours for incoming staff."⁵

Experts speculate that if the workplace issues raised by pharmacy employees are not addressed and necessary changes are not implemented, the U.S. may see an increase in pharmacy walkouts and strikes in the coming months.

Sources:

1. "Drugstore Downsizing: CVS, Walgreens And Rite Aid To Close Nearly 1,500 Stores," *Forbes*, accessed October 24, 2023, <https://www.forbes.com/sites/pamdanziger/2023/09/27/drugstore-downsizing-cvs-walgreens-and-rite-aid-to-close-nearly-1500-stores/?sh=8961015e560>
2. "Pharmacies are cutting hours and closing stores. What it means for customers," *USA Today*, accessed October 24, 2023, <https://www.usatoday.com/story/money/2022/12/15/pharmacies-trimming-hours-and-stores-what-means-patients/10855274002/>
3. "Exclusive: Walmart cuts pharmacist pay, hours while workload piles up," *Reuters*, accessed October 24, 2023, <https://www.reuters.com/business/healthcare-pharmaceuticals/walmart-cuts-pharmacist-pay-hours-while-workload-piles-up-2023-08-29/>
4. "2022 National Pharmacy Workplace Survey," APhA/NASPA, accessed October 24, 2023, <https://www.pharmacist.com/CEO-Blog/apha-and-naspa-release-initial-findings-from-the-2022-national-pharmacy-workplace-survey>
5. "Walgreens walkout enters last day: 5 notes," *Becker's Hospital Review*, accessed October 24, 2023, https://www.beckershospitalreview.com/pharmacy/walgreens-employees-walk-out-pharmacies-close-in-4-states.html?origin=PharmacyE&utm_source=PharmacyE&utm_medium=email&utm_content=newsletter&oly_enc_id=891815416778F9M



Pharmacy 101

Group Purchasing Organizations trending in PBMs

GPOs contribute to the effectiveness and efficiency of PBMs in managing drug costs for their clients.

The big three pharmacy benefit managers (PBMs), CVS, Express Scripts, and OptumRx, have been involved in Group Purchasing Organizations (GPOs) to manage rebate negotiations for their commercial clients.

PBM's interest in GPOs

The purpose of PBM-created GPOs is to aid with rebate negotiations. The main objective of GPOs is to take over the rebate negotiations with the manufacturers, aiming to reduce costs for PBM clients and their members. This is achieved by negotiating lower costs with manufacturers, which in turn lowers the costs of prescription drugs for members.

There are several other reasons why PBMs have created GPOs. Some of these reasons include:

- Standardization and quality control: Ensure clients that the manufacturers have been vetted and meet safety and quality standards through the processes within GPO's.
- Access to a wider range of products: A PBM has access to the manufacturers that the GPO has established agreements with, which broadens the range of products at competitive prices.
- Efficient procurement process: PBMs are able to reserve resources that typically would be utilized to negotiate with separate manufacturers as the GPO handles these negotiations.

GPOs influence in the health care industry

The FTC has several concerns regarding the influence of GPOs on the pharmacy drug market.

GPOs possess significant buying power when negotiating contracts with manufacturers, which in turn can greatly impact the drugs that are deemed preferred by PBMs. This affects the drugs that the



members use, as preferred medications typically have lower copays.

PBMs in the U.S. are required to adhere to rebate reform rules, which make it more challenging for them to profit from rebates obtained from clients. To circumvent these rules, PBMs establish GPOs in other countries, like Switzerland, where these rebate regulations do not apply and are more difficult to audit. While PBMs typically charge administrative fees for their services, there are limitations on these fees. However, with GPOs, there are no such restrictions, and clients should carefully review the fees associated with working with GPOs to ensure transparency.

FTC investigations into GPOs

The Federal Trade Commission has had growing interest in the practices of GPOs, specifically when it comes to the negotiating of rebates. Compulsory orders were issued in early 2023 to Zinc Health Services, LLC, and Ascent Health Services.¹ The FTC is requiring these two GPOs to provide them with records of the practices that they conduct.

Sources:

1. "FTC Deepens Inquiry into Prescription Drug Middlemen," *Federal Trade Commission*, accessed October 23, 2023, <https://www.ftc.gov/news-events/news/press-releases/2023/05/ftc-deepens-inquiry-prescription-drug-middlemen>

Disease Spotlight

Asthma in America

According to the CDC, 25 million Americans are living with Asthma.¹



What is Asthma?

Asthma is a “disease that affects the lungs. It causes repeated episodes of wheezing, breathlessness, chest tightness, and nighttime or early morning coughing.”²

Asthma is present in all age brackets in the United States, with varying levels of prevalence. Increased risk factors for asthma are directly tied to poverty, pollution, and environmental conditions. According to the Center for Disease Control (CDC):

- Roughly 4.7 million children under the age of 18 are diagnosed with asthma, with prevalence increasing with age.¹
- Roughly 2.3 million adults over the age of 18 are diagnosed with asthma, with prevalence peaking at ages 20–24 at 9.5% percent.¹

Due to the range of severity and age brackets affected, asthma is tied to a wide variety of comorbidities, including, but not limited to:

- Allergic bronchopulmonary aspergillosis (ABPA), gastroesophageal reflux disease (GERD), obesity, obstructive sleep apnea (OSA), rhinitis/sinusitis, stress, and depression.³

Treatments, Cures, and Costs

As of 2011, researchers concluded that asthma costs the United States economy \$56 billion.⁴ While this research has not been repeated since 2011, if we assume an annual increase of 5%, then the approximate cost for asthma-related treatments in 2023 is \$100 billion. Prescription drug expenses were the largest portion of the cost associated with these numbers.

As the U.S. population ages and life expectancy increases, the number of individuals living with asthma continues to rise. Asthma is a chronic condition that requires ongoing management and can significantly affect an individual’s quality of life. Even though asthma is not a curable disease, it can be clinically managed through a range of short-term and long-term approaches.

- Short-term options include inhalers, oral corticosteroids, and short-acting anticholinergic.⁵
- There are generic options available for all short-term treatments, with the average cost of generic inhalers ranging from \$15 to \$25 without insurance.⁶
- Long-term solutions include corticosteroids, biologic medicines, leukotriene modifiers, long-acting inhalers, and allergy shots.⁵

Employer Action on Asthma

Some employers are beginning to recognize the importance of addressing asthma within their populations. These employers have taken proactive measures to support employees who have asthma and create awareness in an effort to reduce associated healthcare costs. By implementing workplace policies that promote a healthy environment while providing employee resources for asthma management, employers have been able to reduce long-term costs that may have otherwise been unavoidable.

Sources:

1. “NHIS Adult Summary Health Statistics,” Center for Disease Control, accessed October 26, 2023, <https://data.cdc.gov/NCHS/NHIS-Child-Summary-Health-Statistics/wxz7-ekz9>
2. “What is Asthma,” Center for Disease Control, accessed October 26, 2023, <https://www.cdc.gov/asthma/default.htm>
3. “Asthma and Comorbid Conditions,” Asthma Initiative of Michigan, accessed October 26, 2023, <https://getastmahelp.org/asthma-comorbid.aspx>
4. “Asthma costs and social impact,” National Library of Medicine, accessed October 26, 2023, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5219738/>
5. “Asthma Treatment and Action Plan,” National Heart, Lung, and Blood Institute, accessed October 26, 2023, <https://www.nhlbi.nih.gov/health/asthma/treatment-action-plan>
6. “Albuterol,” GoodRx, accessed October 26, 2023, <https://www.goodrx.com/albuterol>

Clinical Spotlight

The Misuse and Management of Opioids

The Dangers of Opioids

Opioids are pain-relieving medications that travel through the blood and attach to the opioid receptors in brain cells.¹ The opioid blocks pain messages sent by the body to the brain and induces feelings of pleasure. When administered and taken correctly, these medications are crucial to controlling severe pain in patients. Problems arise when opioid medications are abused.

Since opioids release feelings of pleasure, it is easy for a user to want to experience this at a more frequent rate, creating a dependency or even an addiction.

How PBMs are helping

Pharmaceutical Benefit Managers (PBMs) realize that opioids can be a problem with members and plans and have incorporated programs into their plan offerings to help control abuse.

Below are some examples of PBM opioid programs that can be attached to your current benefit structure.

OptumRx's Opioid Risk Management²

The program connects clinical capabilities and analytics, care management, and behavior tools. Highlights of the program include:

- Prevention, education, and minimizing supply.
- Reviewing and reducing oversupply of medications.
- Treating plan participants that are high risk and supporting recovery of those who are considered chronic users.

An important stamp of the program is the ability to manage utilization by leveraging point-of-service tools at the pharmacy.

Express Scripts' (ESI) Advanced Opioid Management Solution²

ESI has designed this program to limit abuse and overuse of opioid medications. This program works by:

- Incorporating restrictions for acute opioid medications at the pharmacy for first-time users to a seven-day supply.
- Setting additional prior authorization restrictions for long-term acting opioids to block fills for new users. Drug utilization review and real-time messages to prescribers to ensure proper opioid usage.
- Providing educational materials to plan members to let them know of the risks of opioid medications and that they will be limited to one prescriber.

Why is Opioid Management important?

It is important for plan sponsors to reign in opioid use, as they are highly addictive and can lead to additional medical problems down the road. Programs listed like the ones earlier in this article aim at assisting plan participants by reducing the risk of overexposure.



Opioids are extremely addictive, and every day 41 people in the U.S. lose their lives to opioids.³ Addiction does not discriminate, so any assistance that is willingly provided should be considered.

Sources:

1. "What are opioids and why are they dangerous," Mayo Clinic, accessed October 16, 2023, <https://www.mayoclinic.org/diseases-conditions/prescription-drug-abuse/expert-answers/what-are-opioids/faq-20381270>
2. "Four PBM programs poised to rein in the opioid epidemic," Managed Healthcare Executive (2018), accessed October 16, 2023, <https://www.managedhealthcareexecutive.com/view/four-pbm-programs-poised-rein-opioid-epidemic>
3. "Fact Sheets and Infographics," Center for Disease Control and Prevention, accessed October 16, 2023, <https://www.cdc.gov/rxawareness/resources/factsheets-infographics.html>

Pipeline

Pending drug approvals

Drug name	Manufacturer	Indication/use	Expected FDA decision date
<i>reproxalap</i>	<i>Aldeyra</i>	<i>DED</i>	<i>11/23/2023</i>
<i>lifileucel</i>	<i>Iovance</i>	<i>Melanoma</i>	<i>11/25/2023</i>
<i>denosumab (biosimilar to Amgen's Prolia Xgeva)</i>	<i>Sandoz</i>	<i>Osteoporosis/osteopenia</i>	<i>12/6/2023</i>
<i>exagamglogene autotemcel</i>	<i>Vertex/CRISPR</i>	<i>Sickle cell disease</i>	<i>12/8/2023</i>
<i>trastuzumab (biosimilar to Genentech's Herceptin)</i>	<i>Henlius/Accord</i>	<i>Breast cancer; Gastric or gastroesophageal junction adenocarcinoma</i>	<i>12/15/2023</i>
<i>lovotibeglogene autotemcel</i>	<i>Bluebird Bio</i>	<i>Severe sickle cell disease (SCD)</i>	<i>12/20/2023</i>
<i>insulin glargine (biosimilar to Sanofi-Aventis' Lantus)</i>	<i>Gan & Lee/Sandoz</i>	<i>Types 1 & 2 diabetes</i>	<i>12/23/23</i>
<i>zolbetuximab</i>	<i>stellas</i>	<i>Gastric cancer</i>	<i>1/12/2024</i>
<i>apadamtase alfa/cinaxadamtase alfa</i>	<i>Takada</i>	<i>Thrombotic thrombocytopenic purpura</i>	<i>1/16/2024</i>
<i>eculizumab (biosimilar to Alexion's Soliris)</i>	<i>Amgen</i>	<i>PNH; Hemolytic uremic syndrome</i>	<i>February 2024</i>
<i>roluperidone</i>	<i>Minerva</i>	<i>Schizophrenia</i>	<i>2/26/2024</i>

Brands Losing Patent

Drug name	Manufacturer	Indication/use	Expected FDA decision date
<i>Victoza</i>	<i>Liraglutide</i>	<i>Used to lower blood sugar in patients with high blood sugar</i>	<i>December 2023</i>
<i>Motegrity</i>	<i>prucalopride succinate</i>	<i>Chronic idiopathic constipation</i>	<i>December 2023</i>
<i>Complera</i>	<i>Emtricitabine, Rilpivirine, Tenofovir</i>	<i>HIV</i>	<i>January 2024</i>
<i>Gralise</i>	<i>Gabapentin</i>	<i>Neuropathic pain</i>	<i>January 2024</i>
<i>Omidria</i>	<i>Ketorolac 0.3%/Phenylephrine 1%</i>	<i>Used during eye surgery & to lower eye pain after eye surgery</i>	<i>January 2024</i>
<i>Exparel</i>	<i>bupivacaine</i>	<i>Post-operative pain management</i>	<i>March 2024</i>
<i>Ionsys</i>	<i>fentanyl hydrochloride</i>	<i>Pain management</i>	<i>April 2024</i>
<i>Contrave</i>	<i>bupropion hydrochloride; naltrexone hydrochloride</i>	<i>Weight management</i>	<i>April 2024</i>

For more information about Rx and other solutions from MMA, visit www.mmaeast.com, or contact your local representative.

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