

# Supporting the value of community pharmacy.



# COMPLETED GRANT SYNOPSIS

#### COST OF MAIL SERVICE VS COMMUNITY PHARMACY PRESCRIPTIONS

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# **Objectives**

To determine whether a Managed Care Organization operated prescription drug benefit passed on savings to plan sponsors.

## Methods

Data from one PBM was used from a huge employer to determine whether prescriptions dispensed by network pharmacies vs. mail service operations demonstrated any differences in prices to the employer. Data was abstracted for one year of community and mail pharmacy prescriptions and analyzed.

#### Results

For the vast majority of prescriptions dispensed by mail service pharmacy, the cost to the plan was below that of the prices from community pharmacies. However the differences were small, and there were a small number of prescriptions where the community pharmacy prices were below those of the average mail service price.

## **Conclusion**

There is every reason to believe that plan sponsors gain the benefits of mail order dispensing through lower billings from the PBM of the Managed Care Organization. Patients (plan members/beneficiaries) often enjoy savings from mail service prescriptions from reduced co-payments, compared to prescriptions dispensed through community pharmacies, but it was unknown whether the savings were also enjoyed by the payers (employers) and the results of this study appear to indicate that such savings are shared with the employers.

A number of cautionary notes are necessary. Mail service is not appropriate for medication required for acute conditions or when therapy must be initiated immediately. Therefore, a full, "across-the board" comparison is not possible to conduct since there are no prescriptions for antibiotics, first prescriptions for newly diagnosed hypertension, diabetes, and for many other conditions.