Preserve Access to Community Pharmacies in TRICARE

As policies to control spending in the Department of Defense (DoD) TRICARE program are considered, NACDS urges Congress to protect patient choice and preserve access to local pharmacies. Severely limiting the number of pharmacy options available to a patient creates a barrier to receiving care from the most knowledgeable professional who best meets their needs.

Significant changes in prescription drug cost sharing for TRICARE beneficiaries have already been implemented in recent years. Most recently, the FY 2015 National Defense Authorization Act (NDAA) contained additional changes to drive TRICARE beneficiaries out of local pharmacies and into the TRICARE Mail Order Program (TMOP), including requiring the use of mail order for non-formulary medications, and requiring refills of non-generic prescription maintenance medications through military treatment facility pharmacies (MTFs) or TMOP. The FY 2015 NDAA also implemented copayment increases for prescriptions obtained at both retail and through mail order.

These changes place even greater financial burdens on TRICARE beneficiaries, and also severely limit their ability to obtain non-formulary and maintenance medications from their neighborhood pharmacy. In addition to unfairly penalizing TRICARE beneficiaries who prefer to use local pharmacies, such changes may seem penny-wise while they are actually pound-foolish. Restricting beneficiary access and raising copayment amounts can have the unintended effect of reducing medication adherence, resulting in decreased health outcomes and increased use of more costly medical interventions, such as physician and emergency room visits, and hospitalizations. Failure to take medications as prescribed costs the U.S. health system $290 billion annually, or 13% of total health expenditures.

A study published in the January 2012 edition of Health Affairs demonstrated the key role retail pharmacies play in improving medication adherence for patients with diabetes. The study found that a pharmacy-based intervention program increased patient adherence and that the benefits were greater for those who received counseling in a retail, face-to-face setting as opposed to a phone call from a mail order pharmacist. Pharmacists are also leaders in promoting cost savings, by helping to educate consumers and providers about affordable alternatives like generic drugs and over-the-counter remedies.

TRICARE beneficiaries are concerned about being able to access the services they need. Recently, the Military Compensation and Retirement Modernization Commission (Commission) released its long-awaited report and recommendations. The Commission heard from beneficiaries about the importance of healthcare provider choice and access and strongly recommends patient choice, flexibility, access to care, and utilizing the latest healthcare innovations in the TRICARE program. The Commission recommended preserving pharmacy choice and implementing a more robust medication therapy management (MTM) as a way to modernize the TRICARE program. NACDS urges Congress to take the following steps:

1. Delay implementation of any new changes to the TRICARE prescription program as an effort is made to establish long-term solutions for the program that wouldn’t harm patient care. For example, one solution would be to create acquisition cost parity across all treatment locations, including retail, MTFs and mail order. Presently, retail pharmacies that...
serve TRICARE beneficiaries have to pay much more for prescription drugs than mail order and military pharmacies. Creating acquisition cost parity will lead to greater savings for the DoD while at the same time ensuring beneficiaries have access to the care and services they need.

2. Allow for at least three initial fills at the retail setting (90 day supply) for brand name maintenance medications before requiring the use of a MTF or mail order. Allowing three initial fills would be in line with common commercial practices and would provide the beneficiary with ample time to make arrangements for home delivery.

3. Similar to the TRICARE for Life Pilot, beneficiaries should be given the opportunity to opt-out of the requirements to obtain the maintenance brand name drugs at either a MTF or through mail order. Many patients prefer the convenience and service of their local pharmacist with whom they have a long-standing relationship.

We support sensible cost savings initiatives. Thus, we urge Congress to support TRICARE beneficiaries in obtaining their prescription medications at their local pharmacies. Doing so would decrease overall program costs while also preserving beneficiaries’ health and wellness.