The Pharmacist Activist

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Editorial

CVS Caremark — An Alliance that Must be BROKEN

There are many CVS Caremark pharmacists and pharmacy students who are dedicated and caring professionals and are deserving of our respect. This editorial is not about them. Rather, it is about the company and certain employees who have manipulated prescription benefit programs for its corporate advantage while denying patients a choice in choosing their pharmacy and placing local pharmacies other than CVS at a competitive disadvantage.

I have been provided with a copy of a letter on CVS Caremark stationery that was received by a patient who is a participant in one of the prescription plans that is administered by CVS Caremark. The letter identifies a particular medication and the name and address of the pharmacy (not a CVS pharmacy) from which it was obtained. The following information is provided:

"No additional fills of your prescription(s) will be covered at this location. However, when you call the phone number listed above we can help you save money and get your prescription(s) without disruption through CVS/pharmacy or CVS Caremark Mail Service Pharmacy."

The letter also includes the following statement:

"In order to save both you and your plan money, your plan design requires that you receive long-term medications in a 90-day supply at either a CVS/pharmacy retail store or through CVS Caremark Mail Service."

The plan design

Who is responsible for the particular prescription program (i.e., the plan design) that is selected? The answer is, "it's the other party." The typical response from CVS Caremark and other pharmacy benefit managers (PBMs) is that the clients (e.g., companies, unions) select the plan design. The typical response from clients is that the PBM identified several plan design options and promoted a particular plan as being best suited and cost-effective for the particular client.

Which plan design is most likely to be "competitively priced" and promoted by CVS Caremark? The answer is the plan that will bring all prescriptions for long-term medications into a pharmacy it owns.

Who cares about the patients participating in the plans? The answer is "no one." CVS Caremark clearly does not care about the patients when it designs programs that prevent patients from continuing to use pharmacies that many have used for decades and from which they have received dedicated and caring service from pharmacists they have come to know well. Unlike, many prescription benefit programs, the plan design identified in the letter only permits patients to use a pharmacy owned by CVS Caremark. In my opinion, this situation provides a very clear example of why it is *inherently wrong* for the same company that designs and administers prescription benefit programs to also own the pharmacies that patients are required to use.

Many clients using these plans are also at fault for often looking exclusively and uncritically at the cost of a plan without considering the services and convenience of a plan for its employees/members, or recognizing that the provision of comprehensive services by pharmacists will help to prevent drug-related problems that would otherwise result in increased costs in other health care benefits such as hospitalization.

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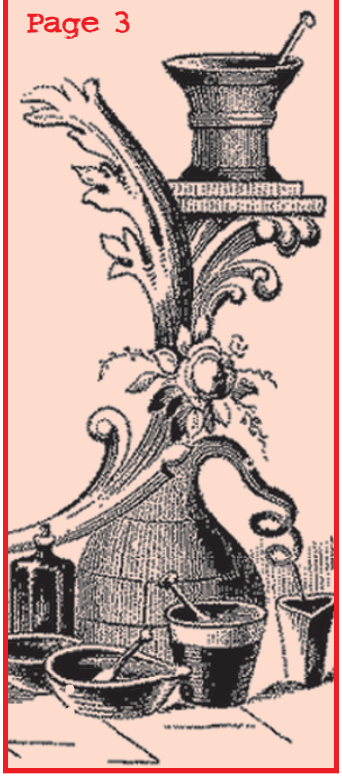

Reducing competition

The program described above is unfair to other pharmacies and anticompetitive. The letter to the patient provides no alternatives or exceptions that would permit continued use of the pharmacy initially selected by the patient. Only a pharmacy owned by CVS Caremark may be used. It is also of interest that a 90-day supply of long-term medications may be obtained from a local CVS pharmacy. Historically, PBMs have been adamant in their refusal to permit local pharmacies to dispense more than a 30-day supply of long-term medications. Does CVS Caremark have any plan designs that permit local pharmacies other than CVS pharmacies to dispense 90-day supplies of medication? If not, how can the special provisions permitted only for CVS pharmacies be considered anything but anticompetitive.

There have also been allegations that the confidentiality of patient information has not been adequately protected in the design and implementation of CVS Caremark prescription plans. If these allegations are accurate, a very serious breach has occurred with respect to the "firewall" that is supposed to exist for the purpose of preventing exploitation of patients for the advantage of the company.

CVS and Caremark merged in 2007 following approval of the merger by the Federal Trade Commission (FTC), even though many pharmacists and others voiced objections to the merger. At the time the merger was being considered, the CEO of CVS made the following comments:

"This is not about limiting choice for the consumer, this is about expanding choice for the consumer."

"Let me be clear, you will continue to have access to nearly 60,000 pharmacies currently under our plans, including obviously CVS locations."

These statements cannot be reconciled with the experience that patients in certain CVS Caremark plans have encountered. In sharp contrast to the CEO's statement that is prefaced with "Let me be clear…," what is clear is that CVS Caremark has plans that *deny* the access that is claimed to pharmacies other than CVS pharmacies. Any attempt by CVS Caremark to try to explain away a challenge by saying it is the client that chooses the plan is not valid. Clients do not design the prescription plans but rather choose from the options designed and offered/promoted by the PBM.

Pharmacy's response

The National Community Pharmacists Association (NCPA) met with the Chairman of the FTC and his staff on May 13 to address the issues identified above, as well as other concerns that have been documented regarding CVS Caremark prescription plans. The NCPA has requested that the FTC investigate anticompetitive practices and reconsider the merger of CVS and Caremark. The FTC has also been asked by the NCPA to take the following actions:

"Require Caremark to treat all pharmacies in a nondiscriminatory fashion; Prohibit CVS from creating programs that disadvantage rivals by imposing higher costs on them; Compel CVS to create an ironclad barrier between CVS and Caremark so that competitively sensitive Caremark information cannot be used by CVS; and Prevent Caremark from sharing personally sensitive information with CVS."

The prescription benefit plans designed by CVS Caremark affect not only the patients participating in these programs and local pharmacies, but also have important implications with respect to how medications and the services of pharmacists will be provided in future programs. Other pharmacy organizations and individual pharmacists must also contact FTC and other pertinent authorities in support of the concerns that the NCPA has identified.

I do not expect the National Association of Chain Drug Stores (NACDS) to be active in addressing these matters because CVS Caremark is one of its largest members. However, I have to think that other large chain pharmacies (e.g., Walgreens, Rite-Aid, Wal-Mart) would have major concerns about the CVS Caremark programs, and I am surprised by what I perceive to be a lack of response on their part. Their silence invites speculation that they may be considering their own exclusive and restrictive programs, or that they have been able to make arrangements through which they have been able to remain competitive.

Actions needed

The following actions must be taken:

1. There must be continued documentation of specific examples of compromised pharmacy services for patients and anticompetitive abuses perpetrated in prescription plans provided by CVS Caremark and other PBMs;

2. Individual pharmacists and our professional organizations must contact the FTC and other pertinent authorities in support of the actions requested by the NCPA, and initiate/support legislative proposals that will make it illegal for PBMs to construct prescription programs that unfairly disadvantage patients and local pharmacies;

3. The FTC must investigate the concerns identified regarding the CVS Caremark prescription programs. I anticipate that they will confirm the existence of the problems that have been called to their attention. At that time, the FTC should withdraw its approval of the merger of CVS and Caremark and require its division into two separate companies. It will not be sufficient for the FTC to require corrective actions and a financial settlement of tens of millions of dollars (which typically include a statement that the company involved acknowledges no wrongdoing). These actions have not been an adequate deterrent in the past to prevent subsequent inappropriate programs and actions on the part of certain PBMs and certain chain pharmacies. In my opinion, such actions would not be a sufficient deterrent now to prevent CVS and Caremark from developing different programs that would generate similar concerns. CVS Caremark has had its opportunity to develop programs that serve patients well and that are both competitive and fair. Not only has it failed to do this but it has destroyed the credibility of the words of its CEO when approval of the merger was being sought. Another opportunity is not deserved – [*the alliance between CVS and Caremark must be broken!*]

4. The profession of pharmacy and other advocates for patients have had to regularly respond from a defensive position against the terms of prescription drug programs imposed by PBMs. Our profession must move forward in a proactive manner and engage with partners who share our goals to develop prescription benefit plans that provide comprehensive pharmacist services and optimal drug therapy outcomes for patients, as well as professionally-fulfilling and equitable programs for participating pharmacists.

Daniel A. Hussar

New Drug Review

Golimumab
(Simponi – Centocor Ortho Biotech)

Antiarthritic Agent

New Drug Comparison Rating (NDCR) = 2

(significant disadvantages) in a scale of 1 to 5, with 5 being the highest rating

Indications:
Administered subcutaneously in adult patients for the treatment of moderately to severely active rheumatoid arthritis (in combination with methotrexate), active psoriatic arthritis (alone or in combination with methotrexate), and active ankylosing spondylitis.

Comparable drugs:
Other tumor necrosis factor (TNF) blockers: etanercept (Enbrel), adalimumab (Humira), certolizumab (Cimzia), infliximab (Remicade).

Advantages:
- Less frequent administration – once a month (compared with etanercept that is administered every week, adalimumab that is administered every two weeks, and certolizumab that is used, at least initially, every two weeks for the treatment of rheumatoid arthritis);
- Is administered subcutaneously (compared with infliximab that is administered intravenously).

Disadvantages:
- Indication for rheumatoid arthritis is more limited (indication is for use in combination with methotrexate [compared with etanercept, adalimumab, and certolizumab]; indication does not include inducing major clinical response, inhibiting progression of structural damage, and/or improving physical function [compared with etanercept, adalimumab, and infliximab]);
- Indication for psoriatic arthritis is more limited (indication does not include inhibiting the progression of structural damage or improving physical function [compared with etanercept, adalimumab, and infliximab]);
- Has not been directly compared with other agents in clinical studies;
- Fewer labeled indications (compared with etanercept that is also indicated for juvenile idiopathic arthritis and plaque psoriasis, adalimumab that is also indicated for juvenile idiopathic arthritis, plaque psoriasis, and Crohn's disease, and infliximab that is also indicated for plaque psoriasis, Crohn's disease, and ulcerative colitis);
- Is not indicated for use in patients less than 18 years of age (compared with etanercept, adalimumab, and infliximab that are used for certain indications in children).

Most important risks/adverse events:
Serious infections (boxed warning; e.g., tuberculosis [TB], invasive fungal infections, and other opportunistic infections [patients should be evaluated for TB risk factors and be tested for latent TB infection; treatment should not be initiated in patients with active infections, including clinically important localized infections; treatment should be discontinued if a patient develops a serious infection; concurrent use with abatacept (Orencia) or anakinra (Kineret) is not recommended because of the increased risk of serious infection]); malignancies (e.g., lymphomas); exacerbation or new onset of congestive heart failure; exacerbation or new onset of demyelinating disease (e.g., multiple sclerosis); hepatitis B virus reactivation; hematologic reactions; live vaccines should not be used concurrently.

(Continued on Page 4)

New Drug Review (cont.)

Most common adverse events:

Upper respiratory tract infection (7%), nasopharyngitis (6%), injection site erythema (3%); hypertension (3%).

Usual dosage:

50 mg once a month subcutaneously.

Products:

Prefilled syringe and prefilled SmartJect autoinjector – 50 mg/0.5 mL (should be refrigerated).

Comments:

Golimumab is a humanized monoclonal antibody that prevents the binding of tumor necrosis factor (TNF) alpha to its receptors, thereby inhibiting its activity. It is the fifth TNF blocker to be marketed for the treatment of rheumatoid arthritis. As with infliximab, golimumab's indication for rheumatoid arthritis is in combination with methotrexate, whereas this limitation does not apply with the use of the other TNF blockers. In addition, the indications for golimumab for rheumatoid arthritis and psoriatic arthritis are more limited than those for etanercept, adalimumab, and infliximab, and the new drug also has fewer labeled indications than etanercept, adalimumab, and infliximab.

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