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WISCONSIN LEGISLATORS URGE GOVERNOR DOYLE TO AVERT SERIOUS CUTBACKS TO MEDICAID PRESCRIPTION DRUG SERVICES

In a symbolic and significant bipartisan move, over 100 members of the Wisconsin Legislature have signed a letter to Governor Jim Doyle, requesting him to direct the Wisconsin Medicaid program to ensure that pharmacy providers and the patients they serve are not economically harmed as a result of a federal court ruling. The letter was drafted by State Representatives Gary Hebl (D-Sun Prairie) and John Nygren (R-Marinette) at the request of the Pharmacy Society of Wisconsin (PSW) and within a day, nearly every member of the legislature signed on to the call for action. (A copy of the letter and a summary of the federal ruling and its potential impact on Wisconsin pharmacy providers has been attached to this release.)

“We applaud the leadership of the Wisconsin legislature for seeking a solution that averts what would otherwise be a very serious problem for the state’s health care programs and its pharmacy providers,” said Tom Engels, Vice President of Public Affairs for the Pharmacy Society of Wisconsin. The letter from the legislature to Governor Doyle urges his office to intervene. “This adjustment will not require additional funding for the Medicaid prescription drug programs, but without action, pharmacy providers will have their reimbursement rates reduced by approximately 50 percent, causing some pharmacies to close or make changes to their Medicaid services,” continued Engels. “With one out of five Wisconsin citizens receiving their prescription medications through a program administered by the State of Wisconsin, the breadth of this problem is enormous.”

At issue, is a March federal court ruling scheduled to take effect nationwide on September 26, 2009. On that date, brand name prescription drugs will have their average wholesale price (AWP) reduced to comply with the court order. Most state Medicaid programs, including Wisconsin, reimburse pharmacies based on the AWP for single source, brand name prescription drug products. Virtually all commercial health insurance plans in Wisconsin, including the plans covering state employees, use the AWP to determine reimbursement rates to pharmacies for the medications dispensed to patients. The commercial insurance market has taken steps to retain economic neutrality and to ensure that reimbursement amounts to pharmacies in Wisconsin stay the same.

However, the Department of Health Services (DHS), responsible for Medicaid, SeniorCare and BadgerCare, has not made plans to take this step, causing major concern amongst the state’s pharmacy providers.

For more information, please visit the PSW website at www.pswi.org.

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PSW is a statewide professional association that represents over 2,000 Wisconsin pharmacists and pharmacy technicians. Wisconsin pharmacists dispense over five million prescriptions each month to consumers and have repeatedly been listed by national polling organizations as one of the most trusted professions in the United States.