VOTE ‘YES’

SB 1796 (Reeves)/ HB 1955 (Helton-Haynes)

PBM Reform Clean-up & Rebate Pass Through

PBMS HARM PATIENT ACCESS - PBMS DON’T COMPLY WITH THE LAW

DID YOU KNOW?

- PBM practices are accelerating pharmacy closures, reducing access to care across Tennessee, especially in rural communities.
- Tennessee pharmacy closures:
  - 62 closures in 2024 alone
  - 163 closures in past 3 years - more than CVS has in entire state
  - 815 closures in past 10 years

- PBMs prevent pharmacies from mailing or delivering medications even when the patient requests such services
- PBMs withhold millions of dollars from plan sponsors and employers with illegal spread pricing tactics

TN DEPARTMENT OF COMMERCE AND INSURANCE

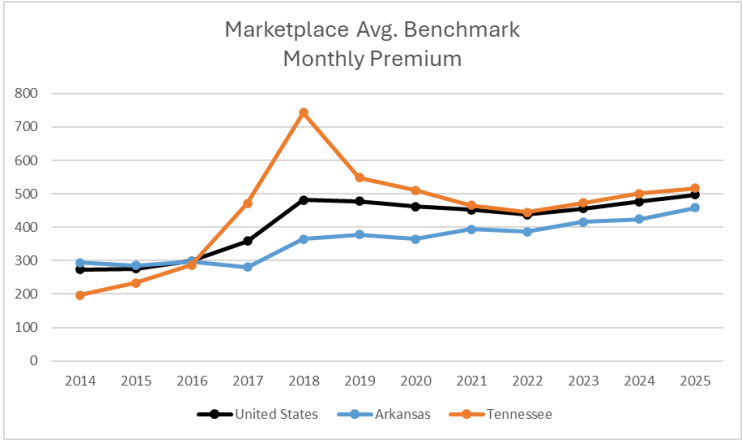
- TDCI confirms lack of compliance with the law as seen through a 2024 audit of Express Scripts (ESI) and 2025 of CVS Caremark (bit.ly/TDCIaudits)
  - PBMs continue to engage in costly and illegal spread-pricing tactics
  - PBMs not passing rebates to employers and patients
- In 2024, ESI withheld $30 million alone from plan sponsors and patients
- In 2025, CVS Caremark refused to provide such information to state auditors

SB 1796 / HB 1955 ALONE WILL NOT INCREASE HEALTH PREMIUMS

Since 1999, the Kaiser Family Foundation has tracked employer-sponsored health insurance trends. Average per-person premiums (including worker contributions) rose from $2,196 in 1999 to $9,325 in 2025. (bit.ly/KFFcoverage)

In Arkansas, where similar PBM reforms were implemented in 2015, premium growth has lagged the national average, even after accounting for healthcare inflation. Arkansas premiums ($458) are now below the national average ($497), while Tennessee’s premiums ($516) exceed it. (bit.ly/KFFpremiums)

While PBM reform passed in Tennessee in 2022, premium increases have continued to track closely with the national average.



TENNESSEE PHARMACISTS ASSOCIATION

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VOTE 'YES'

WHAT SB 1796/HB 1955 DOES

- Updates the definition of a PBM to best showcase who a PBM is and what they do
- Provides updated language on the audit of records of a pharmacy by a PBM
- Requires PBMs to pass through rebates they receive by drug manufacturers directly to health plan sponsors/employers
- Prohibits PBMs from off-setting controls in state-controlled contracts to other contracts they have with pharmacies
- Prohibits PBMs from preventing pharmacies from mailing or delivering medications upon patient request
- Provides for proper dispensing fee for high-volume pharmacies to match the TennCare dispensing fee
- Provides compensation to pharmacies to align with federal legislation
- Provides a mechanism for pharmacies to be compensated for medication at a national average reimbursement calculation

SB 1796/HB 1955 WILL:

- Stop harmful PBM tactics that disrupt patient choice
- Restore fairness and transparency in pharmacy reimbursement
- Require rebates are passed through to plan sponsors and patients
- Protect patient choice and fair competition