

# White Bagging

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# Vertical Business Relationships Among Insurers, PBMs, Specialty Pharmacies, and Providers, 2023



1. Since 2021, Prime's Blue Cross and Blue Shield plans have had the option to use Express Scripts or AllianceRx Walgreens Pharmacy for mail/specialty pharmacy services. In Dec. 2021, Walgreens purchased Prime Therapeutics' 45% ownership interest, so this business had no PBM ownership as of 2022. Effective June 2022, the company was rebranded as AllianceRx Walgreens Pharmacy.

2. Centene has announced that it would outsource its PBM operations to Express Scripts in 2024. In 2023, Centene rebranded its pharmacy benefit subsidiary as Centene Pharmacy Services.

3. In 2021, Centene sold a majority stake in its U.S. Medical Management to a group of private equity firms.

4. Since 2020, Prime has sourced formulary rebates via Ascent Health Services. In 2021, Humana began sourcing formulary rebates via Ascent Health Services for its commercial plans.

5. Previously known as Evernorth Care Group and Cigna Medical Group.

6. In 2021, Cigna's Evernorth business acquired MDLive.

7. In 2022, Cigna invested \$2.7 billion for an estimated 14% ownership stake in VillageMD. Walgreens owns a majority of VillageMD.

8. In September 2022, CVS Health announced its acquisition of Signify Health. In February 2023, CVS announced its acquisition of Oak Street Health. Both transactions closed in 2023.

9. Previously known as IngenioRx.

10. In 2021, Partners in Primary Care and Family Physicians Group businesses were rebranded as Centerwell Senior Primary Care.

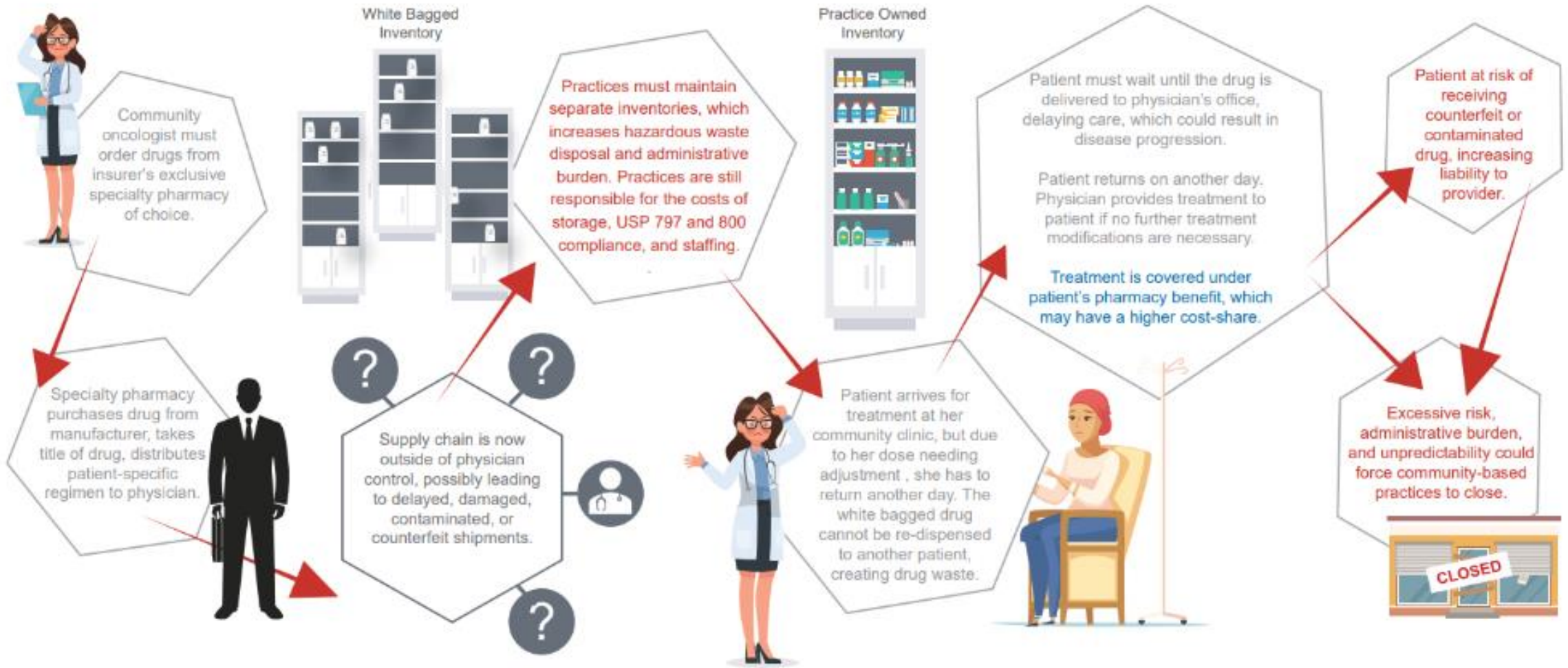
11. In 2022, Kindred at Home was rebranded as CenterWell Home Health. In 2022, Humana announced an agreement to divest its majority interest in Kindred at Home's Hospice and Personal Care Divisions to Clayton, Dubilier & Rice. Humana also announced plans to close a majority of its SeniorBridge home care locations.

Source: [The 2023 Economic Report on U.S. Pharmacies and Pharmacy Benefit Managers](#), Exhibit 234. Companies are listed alphabetically by corporate name.

## PATIENT ACCESS TODAY



## DISRUPTION TO PATIENT ACCESS UNDER WHITE BAGGING



# White-Bagging

**Delays Patient Care**

**Creates Drug Waste**

**Increases Patient Costs**

**Threatens Supply Chain Integrity**

**Threatens Practice Viability**



# Legislation being introduced (LC 284):

- Maintains how a community oncologist delivers care today.
- Prohibits PBMs and insurers from mandating white bagging for chronic, rare, and life-threatening diseases in the physician office setting.
- Prohibits health plans from requiring a PAD to be dispensed by a pharmacy or affiliated pharmacy as a condition of coverage.
- Prohibits plans from covering drugs at a different benefit tier (switching from medical benefit to pharmacy benefit) with cost-sharing, which imposes a greater expense for the patient.

