



New Study Concludes Preferred Pharmacy Networks Deliver Lower Drug Prices for Seniors and Increase Taxpayer Savings

A new study released by Oliver Wyman Associates and the Coalition for Affordable Prescription Drugs finds that preferred pharmacy networks in Medicare Part D plans **keep premiums stable and reduce drug prices at point of sale for millions of seniors**. If Part D plans were unable to establish preferred pharmacy networks, **annual federal spending on Medicare Part D would be \$4.5 billion higher**.

SENIORS INCREASINGLY CHOOSE PART D PLANS WITH PREFERRED PHARMACY NETWORKS BECAUSE THEY DELIVER REAL SAVINGS

Seniors in plans without preferred pharmacies pay

**twice
as much in
premiums**

Annual premiums for a senior couple could increase by

\$336

absent preferred pharmacy networks in Medicare Part D

OTHER KEY FINDINGS:

- > **Ninety-nine percent (99%)** of seniors are enrolled in plans with preferred pharmacy networks
- > Plans that adopted a preferred pharmacy network in 2018 will save plan members **\$168 in annual premiums**.
- > Without preferred pharmacy networks, the report estimated that **government spending would have been \$210 higher, per member per year**.

WHY IT MATTERS NOW:

The report comes as The Centers for Medicare and Medicaid Services (CMS) considers changes to the Any Willing Pharmacy provision of Medicare Part D. Those changes could severely constrain Part D plan sponsors and their pharmacy benefit manager partners in tailoring preferred pharmacy networks that drive best practices in quality, waste, fraud, and abuse prevention, and lower costs for seniors and the government in the Part D program. **If preferred pharmacy networks are disrupted, 21.2 million seniors will see higher premiums when they renew their prescription drug coverage this October.**

Learn more at affordableprescriptiondrugs.org