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milliman.com

June 24, 2020

Mr. Thomas Wallace Bureau Chief Medicaid Program Finance Florida Agency for Health Care Administration 2727 Mahan Drive – Building 3 Tallahassee, FL 32308-5407

[Sent via email: thomas.wallace@ahca.myflorida.com]

Re: Supplemental Data Request for PBM Pricing Analysis

Dear Tom:

The Agency for Health Care Administration (Agency) has retained Milliman to perform an independent analysis of the pharmacy benefit management pricing practices and provide a report to the Agency outlining the findings of the analysis. To perform this analysis, Milliman and the Agency is requesting additional data from each managed care plan who is expected to produce this document and its respective PBM who will provide the data.

DATA REQUEST

The Agency has requested that we include the pharmacy transaction fees charged by PBM to pharmacies as part of the data request. These transaction fees, also known as the "transmittal fee," "line charge," "click fees," or "network charge" assessed by the PBM to participating pharmacies typically applies each time an electronic claim transaction is transmitted, whether the claim is paid, reversed, denied or adjusted. We request that your PBM provide the following summary information to the Agency no later than **Wednesday**, **July 1**, **2020** for each managed care plan. We have included Exhibit A for each PBM to complete as part of this request:

Exhibit A

- Pharmacy / Channel: Provide transaction fees separated by pharmacy type (pharmacy channel)
- Reporting Period: Reporting periods are quarterly during calendar year 2018 and 2019 (e.g., reporting periods should be Q1 2018, Q2 2018, etc.)
- Total Transactions: Total number of transactions for the reporting period
- Aggregate Transaction Fee: Total transaction fee dollars assessed to participating pharmacies by the PBM



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 Claim Type Basis: Please provide the basis for the participating pharmacy transaction fees (e.g., paid, reversed, denied, adjusted, appeal, etc.)

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Tom, please contact us with any questions.

Sincerely,

AJ Ally, RPH, MBA

Pharmacy Management Consultant

AA/MTH/jf

cc: John Meerschaert, FSA, MAAA Andrew Gaffner, FSA, MAA Michelle Wang, PharmD

Attachment (Provided in Excel)

Michael T. Hunter, PharmD

Principal and Pharmacy Management Consultant