

**ILLINOIS STATE MEDICAL SOCIETY**

**Resolution 09.2019-13  
(A-20)**

Introduced by: Amy Derick, MD, ISMS Member  
Subject: Non-Discrimination of In-Office Physician Dispensaries  
Referred to: Council on Economics

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1           Whereas, physicians are advocates for patients suffering from disease; and

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3           Whereas, prescription medications are often necessary to cure and treat disease;  
4 and

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6           Whereas, barriers to obtaining pharmaceutical products can adversely impact a  
7 patient’s condition and the physician’s ability to treat disease; and

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9           Whereas, in-office pharmaceutical dispensing by medical practices provides a  
10 convenient and timely method for patients to access pharmaceuticals and begin  
11 treatment; and

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13           Whereas, certain pharmacy benefit managers (PBMs) are arbitrarily refusing to  
14 contract with physician practices as in-office pharmaceutical dispensaries; and

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16           Whereas, as a result of this action, patients are unable to obtain pharmaceutical  
17 products from their physicians’ in-office dispensary, and this will negatively impact  
18 patients’ access to, and compliance with, treatment prescribed for the treatment or  
19 prevention of disease; therefore, be it

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21           RESOLVED, that the Illinois State Medical Society recognizes that in-office  
22 pharmaceutical dispensaries are important to the prompt and appropriate treatment of  
23 skin disease and should not be treated in a discriminatory manner by PBMs; and be it  
24 further

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26           RESOLVED, that the Illinois State Medical Society caused to be introduced  
27 requiring PBMs to offer contracts to in-office pharmaceutical dispensaries on terms and  
28 conditions comparable to those made available to other pharmacies or pharmaceutical  
29 dispensaries.

**Fiscal Note:**

N/A

**Existing ISMS policy related to this issue:**

It is the policy of ISMS to advocate for the inclusion of exceptions in state insurance and PBM laws that provide patient access to brand name anti-seizure medications that the prescriber feels documents are clinically absolutely necessary for the patient's optimal care, and that access to such brand name products come with the same cost-sharing and/or copay as the insurer's or PBM's preferred drug for the given medical condition. (2019 Annual Meeting)

House of Delegates adopted Sub. Res. 37 (A-01) which directed that ISMS submit a resolution to the AMA to develop policies that would make brand name pharmaceuticals more affordable. (HOD 2001)

House of Delegates adopted Resolution 26 (A-04), which directed that the Illinois State Medical Society support and pursue the enactment of state legislation that will require full disclosure by pharmacy benefits managers of dealings with and payments from drug companies; and that ISMS direct its American Medical Association delegation to introduce at the 2004 AMA annual meeting a resolution calling upon the AMA to support and pursue the enactment of federal legislation that will require full disclosure by pharmacy benefits managers of dealings with and payments from drug companies. (HOD 2004)

All patients should have access to a health benefit plan that would include catastrophic coverage as well as preventive services, appropriate screening, primary care, immunizations, and prescription drug coverage. (HOD 2007; Revised 2008; Reaffirmed 2011; Reaffirmed 2012; Reaffirmed 2015-JAN; Reaffirmed 2017; Reaffirmed 2018; Last BOT Review 2015)

It is the policy of ISMS to continue to work with appropriate state agencies, the pharmaceutical industry, and our congressional delegation to improve access to a broad range of affordable prescription drug products and promote awareness of the availability of low cost drug programs for needy seniors. (HOD 2002; Last BOT Review 2014; Reaffirmed 2018)

ISMS encourages changes in U.S. law to permit Medicare to negotiate prices for prescription drugs with pharmaceutical manufacturers. (HOD 2016; Reaffirmed 2018)  
House of Delegates adopted Resolution B204 (A-18), Reform of Pharmaceutical Pricing: Negotiated Payment Schedules, which states: RESOLVED, that the Illinois

State Medical Society introduce a resolution to the American Medical Association urging the AMA to support federal legislation that modifies the Hatch-Waxman Act and the Biologics Price Competition and Innovation Act (Biosimilars Act) to institute the replacement of time-specific patent protections with negotiated payment schedules and indefinite exclusivity for FDA-approved drugs in the Medicare Part D Program. (HOD 2018)

Board of Trustees approved supporting the appropriate regulation of pharmacy benefit managers, including disclosure of their relationship with drug companies. (BOT 2005-JAN)

Board of Trustees adopted Substitute Resolution 38 (A-07), Opposition to Pre-authorization for Prescriptions, as amended: that the ISMS support legislation to regulate the activities of pharmacy benefit managers (PBMs), including prohibiting them from switching properly prescribed medications to another therapeutic brand or generic without the specific approval of the prescriber; that the ISMS, through its Division of Member Advocacy, provide assistance to members who experience unnecessary hassles with the administrative policies of third party payers and PBMs with respect to drug benefit coverage, and create a mechanism to assist and encourage members to bring forward complaints about pharmacists or PBMs who inappropriately switch properly prescribed medications; that the ISMS urge PBMs and third party payers to make all policies related to drug coverage and formulary usage transparent for prescribers and patients; that the AMA be directed to urge PBMs and Medicare Part D contractors to use evidence-based criteria for more uniformity in their coverage policies and to streamline any prior approval or exception processes; and that the ISMS policy support doctors being reimbursed for time spent reauthorizing patient prescriptions. (BOT 2008-APR)