

A 21st Century Pharmacy

Mail-Service Pharmacies Offer a Convenient, Reliable, and Affordable Option for Patients to Safely Access Prescription Drugs

Many Americans rely on mail-service pharmacies for convenience and value. Having regularly needed medications delivered by mail is more convenient and promotes adherence for patients with restricting health conditions or limited transportation. Better adherence and avoidance of acute care episodes can lead to improved health outcomes. Throughout the COVID-19 pandemic, mail-service pharmacy has helped Americans access their prescriptions while sheltering in place or practicing physical distancing.

What is a mail-service pharmacy? Mail-service pharmacy is a convenient option for patients to have their prescription delivered safely and reliably—straight to their front doors. Pharmacy benefit managers (PBMs) build networks of pharmacies – including retail, mail service, and specialty – to provide consumers convenient, high-quality, and affordable access to their needed medications.

How does mail-service pharmacy work?



Patients typically first use their local pharmacy to fill a new prescription, whether for an acute or chronic condition.



Once stabilized on the medication(s), patients with chronic conditions can choose to use a mail-service pharmacy for home delivery.



Mail-service pharmacies typically dispense 90-day supplies of a medication, which are filled and shipped usually within 3 to 5 business days or, depending on patients' needs, 24 to 48 hours.



If patients have more than one prescription, they can request synchronized delivery so that all are delivered on the same day.

Mail-service pharmacies put patient safety first and improve health outcomes.

Along with the convenience of mail, more than 10 years of peer-reviewed evidence details the benefits of mail-service pharmacy, which include higher rates of prescription adherence, improved health outcomes, and greater cost savings from use of generic drugs.

- Patients receiving their medications in 90-day supplies, the typical quantity dispensed by mail, have **higher adherence rates** compared to those receiving 30-day supplies.^{1,2,3,4}
- Patients with diabetes who received prescribed heart medications by mail **were less likely to visit the emergency room** than those patients who picked up their medications in person.⁵
- **Having regularly needed medications delivered by mail also is reliable.** Mail-service pharmacies ship hundreds of millions of prescriptions via the U.S. Postal Service and other national mail carriers.

¹ Elena V. Fernandez, Jennifer A. McDaniel, Norman V. Carroll. Examination of the Link Between Medication Adherence and Use of Mail-Order Pharmacies in Chronic Disease States. *Journal of Managed Care & Specialty Pharmacy* 22, 11 (1247-1259). November 2016.

² Matthew Hermes, Patrick P. Gleason, and Catherine I. Starner. Adherence to Chronic Medication Therapy Associated with 90-Day Supplies Compared with 30-Day Supplies. *Journal of Managed Care Pharmacy* 16 (141-142). 2010.

³ Michael Taitel, Leonard Fensterheim, Heather Kirkham, Ryan Sekula, and Ian Duncan. Medication Days' Supply, Adherence, Wastage, and Cost Among Chronic Patients in Medicaid. *Medicare & Medicaid Research Review* 2, 3. 2012.

⁴ Sarah King, Celine Miani, Josephine Exley, Jody Larkin, Anne Kirtley, and Rupert A. Payne. Impact of issuing longer- versus shorter-duration prescriptions: a systemic review. *British Journal of General Practice* 68, 669 (e286-e292).

⁵ Julie A. Schmittiel, Andrew J. Karter, Wendy T. Dyer, James Chan, and O. Kenrik Duru. Safety and Effectiveness of Mail Order Pharmacy Use in Diabetes. *American Journal of Managed Care*. November 2013.

- **Pharmacists and patient counselors often are available 24/7 to provide confidential counseling.** Pharmacists also provide clinical case management, patient education, and support to promote adherence and improved health outcomes.

Mail-service pharmacies enhance safety and accuracy. Computer-controlled quality processes, robotic dispensing, and advanced workflow practices allow mail-service pharmacies to fill large quantities of prescriptions with greater accuracy and reduce potential medication errors to zero in several of the most critical areas, including dispensing the correct medication, dosage, and dosage form.

- **Greater dispensing accuracy.** Peer-reviewed data found that highly automated mail-service pharmacies fill large quantities of prescriptions with 23x greater dispensing accuracy.⁶
- **Fewer medication errors, such as drug-to-drug interactions.** Before mailing a prescription, mail-service pharmacies electronically review the patient's medications to detect any potentially harmful adverse drug reactions—even when the patient uses several pharmacies.⁷
- **Associated with less waste.** A 2011 study of patients taking statin medications found that, on a yearly basis, four 90-day prescriptions dispensed by mail were associated with 3.08 days of waste, as compared to 4.04 days for prescriptions dispensed through retail pharmacies.⁸
- **Safe shipping of prescriptions requiring special handling.** While the vast majority of prescriptions do not require special handling or packaging, for those that do, mail-service pharmacies use U.S. Pharmacopeia guidelines to determine handling needs and leverage proprietary software to map out the ideal packaging journey, which accounts for the acceptable temperature range, forecasted weather conditions, and destination temperatures.

Mail-service pharmacies could save consumers and health plan sponsors, including employers, \$59.6 billion over 10 years.⁹ Maximizing the appropriate use of mail-service pharmacy may lead to savings of up to 1.2% on overall drug costs.

- Based on a national survey of employer plan sponsors, the median mail-service pharmacy discount on brand drugs is 3-5 percentage points better.¹⁰
- **Mail-service pharmacies have been found to be more cost-effective by several federal agencies,** including the Federal Trade Commission, Department of Defense, Centers for Medicare & Medicaid Services, and U.S. Government Accountability Office, including savings of 16.7% for the TRICARE program and 16% in Medicare Part D.¹¹

⁶ In contrast, retail pharmacies had an average error rate of one in 50 prescriptions. See J. Russell Teagarden et al. Dispensing Error Rate in a Highly Automated Mail-Service Pharmacy Practice. *Pharmacotherapy: Official Journal of the American College of Clinical Pharmacy* 25, 11 (1629-1635).

⁷ In such cases, mail-service pharmacies operated by PBMs do not have purview into competitively sensitive information of their competitors (e.g., pharmacy pricing, reimbursement data, etc.).

⁸ T. Vuong et al. Statin Waste Associated with 90-day Supplies Compared to 30-day Supplies. Presented to the Academy of Managed Care Pharmacy. 2011.

⁹ Visante. Mail-Service and Specialty Pharmacies Will Save More than \$300 Billion for Consumers, Employers, and Other Payers Over the Next 10 Years. September 2014.

¹⁰ Pharmacy Benefit Management Institute (PBMI). 2018 Trends in Drug Benefit Design. February 2019.

¹¹ Federal Trade Commission, "Pharmacy benefit manager: Ownership of mail-order pharmacies" (August 2005); Office of Inspector General, U.S. Department of Defense, "The TRICARE Mail Order Pharmacy Program Was Cost Efficient and Adequate Dispensing Controls Were in Place" (July 2013); CMS, "Part D Claims Analysis: Negotiated Pricing Between General Mail Order and Retail Pharmacies" (December 2013); and U.S. Government Accountability Office (GAO), "Federal Employees' Health Benefits: Effects of Using Pharmacy Benefit Managers on Health Plans, Enrollees, and Pharmacies," Figure 2 (January 2003).