## Point-of-Sale Discounts for Prescription Medicines

Distributors build on trust, transparency and expertise to operationalize change

## A Distributor-Facilitated Model Explained

As the connector between pharmaceutical manufacturers and pharmacies, distributors are uniquely positioned to support the seamless and efficient delivery of point-of-sale (POS) discounts for prescription medicines to Medicare and Medicaid patients.





Manufacturers set the list price for medicines

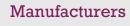


**Distributors** purchase medicines from manufacturers based on the list price



**Pharmacies** purchase medicines from distributors based on the

list price







point of adjudication

apply the **discount** at the

Operationalize POS Discounts



**Patients** 

pick up and pay for prescriptions based on the discounted price









are made whole by relying on their **distributor** to request the discount amount from the manufacturer



**PBMs** 

reimburse pharmacies based on the discounted price



**Distributors** 





RECEIVE CREDIT

from the manufacturer of the prescription



the chargeback as a credit to a pharmacy's existing account to make the pharmacy whole

Chargeback data would be itemized by the PBM in the claim based on the discount amount and the patient's benefit. This chargeback data would be captured by claim switch organizations and furnished to distributors.

Distributors have a **proven chargeback** system in place for health systems that can evolve to handle **point-of-sale** discounts at pharmacies.



In 2018, AmerisourceBergen exchanged over 300 million chargeback transactions with

manufacturers, successfully completing greater than 99% in 3 business days or less.

## The Benefits of a Distributor-Facilitated Model



**Empowers pharmacies** to choose the most efficient distribution partner



Establishes an effective process for making pharmacies whole

Brings Accountability and Competition to the Pharmaceutical Supply Chain



Minimizes financial risks for pharmacies by creating a "cash-less" discount model



Provides transparency and auditability into the true discounted price of medicines and the chargeback process



Ensures patients benefit directly from **discounted prices** for their medicines