

Public Policy Education Report
Partners 2025 Conference
October 7-8, 2025
Stoney Creek Inn, La Crosse, WI.

The major Topic for this report is one covered previously because of its importance and significant impact on those who depend on effective and affordable Healthcare. Yes, here we refer specifically to the influence and impact of Pharmacy Benefit Managers and big Pharma on the cost of prescription drugs.

To that information provided in previous reporting, we now add the attempt by four of the largest pharmaceutical companies; Bristol Myers,-Squibb, Eli Lilly,Johnson & Johnson Health Care Systems and Novartis Pharmaceuticals, to create and implement the models for 340B rebates. Can't just everyone see this is clearly the old story; "Leaving the Hen house door open for the Fox?"

A recent article in the WHA, Valued Voice referenced how WHA along with 36 other hospital associations filed an amicus brief on August 8, 2025, in the U.S. Court of Appeals, D.C. District, urging the court to uphold the U.S. Department of Health Services' decision to reject rebate proposals for distribution from the largest pharmaceutical companies in the nation. The Hospitals state, that allowing manufacturers to unilaterally implement 340B rebate models would transfer enforcement power from HHS to drug companies, permitting them to make their own determinations about whether covered entities are entitled to 340B pricing.

Once again, the FTC Case initiated in September of 2024 against three Pharmacy Benefit Managers; Caremark Rx, Express Scripts and Optum Rx has been moved once again to January, 2026. The PBM's are being accused of delaying document production. The FTC has stated that in the four months since the agency served Requests for Production on October 23, 2024, "the three respondent groups, collectively have produced a total of 409 documents and zero data." This contrasts with third parties, which have produced over 10,000 documents and data. Recall that this case revealed the practices of these three companies to increase Insulin costs of over 1,200% from 2012 to 2022, as Insulin spending for those 10 years has more than tripled from \$8 billion to \$22 billion in 2022.

July 4th of every year brings to mind boundless memories of celebration and the significance of certain events. This year the significance to Wisconsin Hospitals, specifically, came as the result of a collaborative effort between WHA, State & Federal Legislators, and the Governor's office. From that collective effort, Wisconsin Hospitals will now be able to collect more from the "provider tax" they are allowed to charge for their services. Wisconsin has continually charged only 1.8% for their services, one of the lowest in the US. From the conversation between the above parties on July, third, The Governor agreed to change that 1.8% tax rate to 6%. Revenue generated from this Tax helps our State to fund our portion of Medicaid costs; known as Badger Care Plus. Having executed this action on July 3rd, the negative impact of the "Big Beautiful Bill" (Federal Bill enacted on July 4th)) would have disallowed any future change in the Wisconsin Provider tax rate.

We are fortunate, indeed, to reside in a state where Quality Healthcare is not taken for granted. Through the extraordinary efforts of WHA, our light shines brightly among the others. We too have a share in that outcome as we collectively ADVOCATE, letting our VOICE be heard.

Submitted by; Bill McCullough, Public Policy, Chair