

Gary R. Feldman, MD, FACR
President

April 11, 2023

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UPS
55 Glenlake Parkway NE
Atlanta, GA 30328

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Dear Carol, Norman, and Brian,

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The Coalition of State Rheumatology Organizations (CSRO) is comprised of over 30 state and regional professional societies representing 36 states, including Georgia, whose mission is to advocate for excellence in the field of rheumatology, ensuring access to the highest quality of care for the management of rheumatologic and musculoskeletal disease. It is with this in mind that I write to you again, now as immediate past president of the CSRO and current Vice President of Advocacy and Government Affairs, regarding the use of mandated white bagging through CVS Caremark and their specialty pharmacy.

I corresponded with you last year about this employee (see attached letter). It has come to our attention that once again Dr. Daniel Rosler in Milwaukee, WI, is being mandated to use white bagging to obtain the Remicade for his patient, your employee. To summarize the situation, in 2021, Dr. Rosler was mandated to obtain Remicade directly from the PBM, CVS Caremark (aka white bagging). The cost to UPS that year for the "white-bagged" Remicade was \$43,408.25 and the cost to the employee was \$525. In 2022, Dr. Rosler requested an exception to the mandated CVS Caremark white-bagging. UPS granted that exception request and Dr. Rosler was able to buy the Remicade and bill for the cost to United Health Care, the medical side of UPS's insurance.

HEADQUARTER OFFICE

Ann Marie Moss
Executive Director

That year, 2022, the cost to UPS for the Remicade was \$12,200 and the employee's cost share was \$30, clearly a lower cost alternative to the mandated white bagging from CVS Caremark. Now, Dr. Rosler once again has requested an exception to the white bag mandate for 2023, as it is a lower cost and ultimately a safer choice for your employee (outlined in last year's attached letter from CSRO on the harms associated with white bagging). Unfortunately, Dr. Rosler's request was denied.

be viewed as a breach of fiduciary responsibility to both the company, UPS, and its employee, based on the much higher cost of the medication acquired through mandated white bagging. Additionally, it may be helpful for UPS to explore why their employer benefit consultant/ broker is allowing this type of mandate, when clearly it is of higher cost to your employee. You should also be aware that CVS Caremark made it difficult for the employee to obtain the receipt of the exact amount that was billed to UPS for the Remicade in 2021, in spite of the fact that transparency in health care costs, including prescription medicines, is mandated by the Consolidated Appropriation Act (CAA).

Further, Section 202 of the CAA mandates transparency for all direct and indirect compensation to consultants and brokers from plan sponsors, their PBMs, and other third party administrators (in this case CVS Caremark). Overall, considering UPS's fiduciary responsibility to their employees, a closer look at this consultant/broker-approved mandate, resulting in higher cost to the company and its employees, may be warranted. While we understand that there are varying costs to different "sites of care," and white bagging may be less expensive when dealing with a hospital's upcharge of medication, clearly this private practice rheumatologist offers the lower cost of care when compared to white bagging.

Here is a link to a podcast by Paul Holmes (an ERISA attorney with expertise in employee benefits) that explains the issues discussed in this letter regarding the CAA and Sec 202 in more detail:
<https://relentlesshealthvalue.com/episode/ep397-the-minefield-that-is-a-pbm-contract-and-also-some-advice-for-ebcs-who-are-taking-money-under-the-table-with-paul-holmes>

We hope that you would consider an ongoing approval of Dr. Rosler's request for a yearly exception to avoid the higher cost of mandated white bagging. Dr. Rosler is copied on this letter and available to supply additional information. Additionally, UPS's benefit consultant may want to take a closer look at the cost of varying sites of care before recommending across-the-board mandated white bagging.

Thank you for your consideration of this request.

Sincerely,

A handwritten signature in black ink that reads "M. Feldman". The signature is written in a cursive, flowing style.

Madelaine A. Feldman MD
Vice President of Advocacy and Government Affairs, CSRO

Cc: Daniel Rosler, MD