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## **Employer Coalition to Pursue Innovative Pharmaceutical Purchasing Program**

*New Approach Designed to Promote Transparency and Give Employers Access to Substantially Better Prices on Prescription Drugs Purchased in Retail Pharmacies*

**Washington, D.C.** — The HR Policy Association’s Pharmaceutical Purchasing Coalition announces a new purchasing solution to provide Coalition members access to significantly lower prices for prescription drugs purchased at retail pharmacies. By contracting with a network of preferred retail pharmacies, the Coalition will be seeking to offer employers the actual inventory acquisition costs for prescription drugs.

It is estimated that this approach could result in savings of as much as 15 percent of the current cost of prescription drug benefits delivered through more traditional models offered by Pharmacy Benefit Managers and other pharmaceutical purchasing coalitions. Coalition members that take advantage of this innovative approach will begin to offer prescription drug benefits under the new model on January 1, 2013.

The Coalition, chaired by Walter Oliver, Senior Vice President of Human Resources and Administration of General Dynamics Corporation, has issued a joint Request for Information with the Association and General Dynamics to select a Pharmacy Benefit Manager to administer this new approach. PBMs invited to bid are previously certified for agreeing to the Coalition’s Transparency in Pharmaceutical Purchasing Solutions (TIPPS) standards. In January, the Coalition will issue Requests for Proposals to both PBMS interested in administering the program, and to retail pharmacies, to participate in the Coalition’s preferred retail pharmacy network.

“Since 2006, the Coalition has been on the leading edge, pushing for more transparency and accountability through our TIPPS initiative,” said Mr. Oliver. “We are confident that taking this next step and applying those principles to our new Coalition-based purchasing model will result in significant savings for employers, employees and their dependents, who rely on these prescription drug benefits.”

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**HR Policy Association** is the lead organization representing chief human resource officers of major employers. The Association consists of more than 330 of the largest corporations doing business in the United States and globally, and these employers are represented in the organization by their most senior human resource executive. Collectively, their companies employ more than ten million employees in the United States, nearly nine percent of the private sector workforce, and 20 million employees worldwide. They have a combined market capitalization of more than \$7.5 trillion. These senior corporate officers participate in the

Association because of their commitment to improving the direction of human resource policy. Their objective is to use the combined power of the membership to act as a positive influence to better public policy, the HR marketplace, and the human resource profession. For more information visit [www.hrpolicy.org](http://www.hrpolicy.org).