**466 pharmacies Sue Pharmacy Benefits Manager Optum Rx, May 1, 2017**

Some 466 independent pharmacies nationwide have filed arbitration lawsuits through the efforts of PUNCH LLC today against the pharmacy benefits manager (PBM) Optum Rx, formerly known as Catamaran, due to its bad faith and breach of contract in setting their reimbursements—primarily for unreasonably low MAC (Maximum Allowable Cost) pricing for generic drug prescriptions.

Per the arbitrations filed today V. OptumRx, f/k/a Catamaran Corporation - Case 01-16-0000-9295 plus, filed by Williams Cuker Berezofsky in the American Arbitration Association, Optum Rx has annual revenue exceeding $60 billion and manages over 1.2 billion prescriptions each year.

Optum Rx determines the amount of reimbursement pharmacies receive for providing generic medications and other pharmaceutical products. The suit states that Optum sets unreasonably low reimbursement rates, based on irrelevant, inapplicable or outdated pricing data, all to the detriment of patients and pharmacies.

Optum’ s bad faith and lack of transparency effectively puts their business and continued delivery of patient services at risk.

The pharmacies claim in their suit the following specific acts of bad faith by Optum:

Optum consistently pays pharmacies MAC prices below the pharmacy’s acquisition cost, in violation of its contract with the pharmacies.

Optum required pharmacies who appealed below cost reimbursement to submit and document their invoice cost when they appealed MAC price, but never considered their cost when deciding the appeal or setting the MAC price

Optum claims to base its MAC pricing on wholesale data, but has no record of what data it received, and the wholesalers have no record of providing it to them

For many drugs, Optum Rx pays the pharmacy a very low MAC price, while simultaneously billing the health plan a much higher brand name price.

Optum pays different MAC prices to different pharmacies for the same drugs in the same health plan, paying more to its own mail order pharmacy and ‘preferred’ pharmacies than it pays to independent pharmacies

Optum does not follow its own policy of considering national reference pricing when setting MAC prices

When generic drug prices skyrocket, Optum allegedly bills the health plan the skyrocketed price while still paying the pharmacy the outdated lower price for months; when they fall, Optum drops the MAC price to the pharmacy quickly, but drops the price to the health plan slowly.

These practices are causing many independent pharmacies to lose money and go out of business, leaving patients without choice and the community pharmacist’s support and guidance in managing their health.

Mark Cuker, a partner with the consumer protection law firm Williams Cuker Berezofsky LLC, represents the pharmacies.

For over 30 years, Williams Cuker Berezofsky has represented small businesses in claims for unfair trade practices against major corporations.

For more information, contact the law firm at 215-557-0099 or visit their website at http://www.wcblegal.com/. Their offices are in Philadelphia and New Jersey.

The administration of the lawsuits and arbitrations are being administered through PUNCH LLC and was initiated by the PARD, an Association of Community Pharmacies located in Philadelphia, Pa. Contact PUNCH LLC at 215-464-9890. Visit the PUNCH LLC info at PARD’s website http://www.pardrx.com