

When Pharmacy Cuts Hit Home: TRICARE Beneficiaries Face a Shrinking Network

By: Tony Lombardo, April 18, 2023
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When Express Scripts announced in 2022 nearly 15,000 pharmacies would be dropped from the TRICARE network because of contract renegotiating, hundreds of concerned beneficiaries reached out to MOAA.

These service members, retirees, and families were being forced away from their neighborhood pharmacies and trusted pharmacists. MOAA took action, sharing these stories and advocating for a reversal of these network losses. We were joined by a coalition of pharmacy associations, and lawmakers got involved, too.

After losing 2,220 Kroger locations, Express Scripts reopened TRICARE contract negotiations and added 4,356 independents back to the network, but it wasn't enough. Men and women who sacrificed for their country for decades, who earned their benefits, are being cast off when they need help the most. And while a majority of beneficiaries might not feel the pain of these cuts, their fellow service members, veterans, retirees, family members, and survivors are facing what can be life altering choices.

MOAA and 21 other military and veteran service organizations in The Military Coalition sent a letter to the Defense Health Agency calling for a solution.

"It disproportionately impacts rural families, the elderly, those disabled, and those with chronic medical conditions," the letter stated. "These network reductions must be reversed to ensure TRICARE beneficiaries receive the care they expect and deserve."

The network changes have put an added and unfair burden on beneficiaries who live in rural areas, who have complex medical challenges, and who are caregivers to others as they wrestle with their own prescriptions and ailments.

Further, this cut is only the latest in what's become an eroding medical benefit for service members and retirees. Remember in 2018 when copays as much as doubled? How about in 2021 when we saw unprecedented TRICARE Select enrollment fees for retirees and their families? This is why we ask for your help during our Advocacy in Action campaign to restore the 2023 TRICARE pharmacy network.

We are taking this issue to the Hill this month and will be sharing stories like these to show the unjust toll these cuts have taken.

Rural Challenges

Kim Reed is an Army Reserve spouse who requires two controlled medications, Ritalin and Nuvigil, to treat her narcolepsy. Reed and her husband, Sgt. 1st Class Dan Reed, and their 10-year-old daughter live in Hiawatha, Kansas, a small community with about 3,500 residents. She's a nurse, serving as the inpatient care director for a local hospital.

"We work really hard to take care of people and make sure health care is accessible to all," she said of her job. "That's a national standard right now — to make sure health care is available to all people."

But with these pharmacy cuts and with what she views as unsatisfactory communication, "it feels like we took this major leap backward, especially for our service people."

She lives close to a Walmart and got scripts filled there, until the retail giant left the network in 2021 after contract negotiations failed. The local pharmacy in Hiawatha is no longer in-network, forcing her to drive out of town to get her medications. She's had to switch pharmacies so often she started proactively calling ahead to reassure the pharmacy she wasn't a "drug seeker" and was a legitimate patient.

She is weighing her mail options, though this comes with added requirements for controlled medications, and she is leery of mail reliability and theft. Even if mail order is possible for her maintenance meds, it is not an option for acute needs such as antibiotics. For those thinking Reed should move, her husband works full time as a farmhand, growing soybeans and corn and raising cattle on a nearby family farm.

"If we don't have people living in rural areas, nobody's going to eat," she said.

Dan Reed is an ammunition specialist in the Army and has deployed to Iraq, Qatar, and Kuwait. Kim Reed said she is grateful for the health care benefits the military provides, but the pharmacy problems have given her pause.

"I don't know if I'd tell people today to serve," she said. "Your government is not going to take care of you, and the benefits are why a lot of people get in the military."

Hospital Holdups

Cmdr. Roy Kiefer, USN (Ret), lives in Arlington, Va. There's no shortage of pharmacies in his area, and the Life Member of MOAA already receives some medicine in the mail. But he's 76 years old and supporting his wife, Beverly, a breast cancer survivor who's had double knee replacement surgery.

Upon Beverly's discharge after her surgeries, Roy Kiefer had been able to rely on the pharmacy within Virginia Hospital Center to quickly pick up prescriptions and focus on his wife's post-surgical care. With the recent network losses, this is no longer an option.

"The huge advantage was its one less hassle in a day that is going to be loaded," said Kiefer, who served 20 years, mostly in aviation program management. "When your wife is rolled out in a wheelchair, you were already holding those three prescriptions in your hand."

For some, the loss of hospital pharmacies, especially specialized ones, poses a risk to the patient, according to a letter addressed to Express Scripts and its parent company CIGNA from six pharmacy groups, including the American Pharmacy Association.

"We have heard from many hospitals that they have been hesitant to discharge patients due to concerns of patients being able to access highly complex, specialty medications," the letter reads.

Kiefer sees the network challenges in a broader context for service members and retirees — this is only the latest in an eroding benefit. He has watched as costs have gone up and options have shrunk. When he signed up in the 1960s, Kiefer said he was given assurances his health benefits would last a lifetime. And while he is certainly inconvenienced, Kiefer worries most for those living across the country and outside city limits.

"This pharmacy situation, in my opinion, is not only an unethical breach of faith, but [also] you can pick on people where this is a real honest-to-god hardship," he said. "I think it's wrong. The system is not supposed to be designed to work for most people. It's supposed to be designed to work for all people, and it doesn't."

Small Shops Hurt Most

Capt. Stan Andersen, USN (Ret), has a combined 36 years of service on active duty and in the reserve. His career as a cargo officer put him in the Gulf of Tonkin, refueling an aircraft carrier, in 1965. He later was involved in Navy Reserve training. He has traveled the world, but Minnesota has always been his home. And, at age 81, he has no plans to move.

"It's a good state, and I've lived a lot of other places," he said. "You tend to go back to where you know and you have your friends." He lives north of Minneapolis in Taylors Falls, a small community with brutal winters. "Sometimes we don't even want to leave our house," he said.

Across the river in Wisconsin is St. Croix Falls, which has a local pharmacy. Andersen uses mail order for routine drugs, but he has relied on the pharmacy for immediate needs that arise, like a recent nasal infection. Now Andersen said he will have to drive 25 miles roundtrip to get a script filled. In winter, that could easily mean a frigid and snowy drive.

Beyond his own challenges, Andersen said it's been sad to see his local drugstore unable to afford the contract, one enabled by the Defense Health Agency and implemented by Express Scripts.

"You know your local pharmacist," Andersen said. "You can go in and talk to him and say, 'Hey, Joe, tell me about this medication.' If we don't support local business, all you're gonna have is big-box stores in this United States of America, and you're not going to like that."