

## DRUG & PHARMACY ALERT

1/27/15

### ESI Termination Notice Does Not Mean the End of TRICARE Billing

Express Scripts, Inc. (ESI) administers the TRICARE pharmacy benefit for the Defense Health Agency (DHA), which includes retail pharmacies in the United States and U.S. territories, TRICARE Pharmacy Home Delivery, and stateside specialty pharmacy services. While Pharmacy Benefit Managers (PBMs) such as ESI continue to terminate Provider Agreements (PA's) for specialty or network pharmacies nationwide, many pharmacies are concerned about the resulting termination from the TRICARE program. However, a termination from ESI does not necessarily mean that the provider cannot bill TRICARE. Within the agreement between ESI and TRICARE, ESI is required to administer both in-network and out-of-network pharmacy claims. Roetzel & Andress has recently confirmed only DHA has the authority to take administrative action excluding pharmacies from the TRICARE program. TRICARE beneficiaries may go to any authorized pharmacy, whether or not the pharmacy is an ESI network provider. Thus, out-of-network pharmacies have the capability to bill TRICARE even after termination from ESI.

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