

# White Bagging

*Shielding Oklahomans from prescription drug price hikes*

## What is white bagging?

Hospitals, physician offices and other health care providers frequently charge patients extreme markups for prescription drugs. To help keep the costs of prescription drugs affordable, health plans leverage low-cost pharmacies – known as specialty pharmacies – to safely deliver drugs directly to a patient's provider to be administered, a process referred to as "white bagging."

## How does white bagging lower health care costs for Oklahomans?

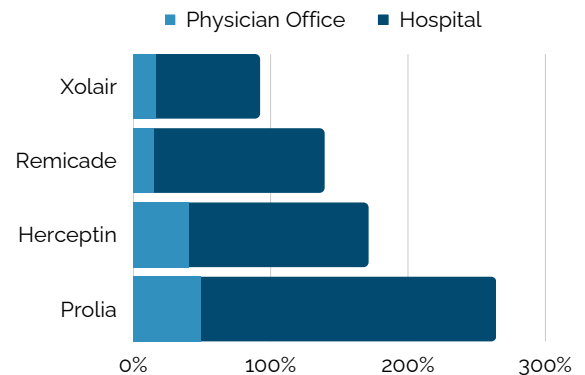
White bagging saves patients thousands of dollars by preventing hospitals and physician offices from charging exorbitant bills to buy and store specialty drugs.

By reducing the cost of prescription drugs, white bagging helps health plans keep premiums affordable for Oklahomans. Prescription drugs are the largest individual expense for health plans, costing 22.2 cents of every dollar spent on coverage premiums. White bagging also helps keep insurance premiums affordable for small businesses and employers, which in turn protects health care benefits for hard-working Oklahomans.

## What if a patient's medical emergency requires the hospital to administer medication?

**Patient safety always comes first.** That's why OAHP worked with legislators to develop language\* to allow providers and health care facilities to dispense or administer a drug from its on-site pharmacy. In turn, the provider would agree to be reimbursed at the health plan's in-network rate. Providers are then empowered to decide when it's in the best interest of the patient to administer a drug, while insured patients remain protected from drug markups. \*HB 4052, 2022 Regular Session

## PRESCRIPTION DRUG MARKUPS



Source: AHIP

## AVERAGE MARKUPS

Hospitals on average charge double the price (108%) for the same drugs compared to pharmacies.

## ABOUT OAHP

The Oklahoma Association of Health Plans is a coalition of health plans who collectively strive to ensure every Oklahoman has access to high-quality and affordable health care.