



NEWS RELEASE

Arbitration Ruling Validates AHF Antitrust Theory Against PBM Prime Therapeutics

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Arbitrator allows five of seven claims—including per-se antitrust violations and breach of contract—to proceed in case against Prime Therapeutics for fixing, with a direct business competitor, reimbursement rates paid to independent pharmacies like AHF

LOS ANGELES--(BUSINESS WIRE)-- AIDS Healthcare Foundation (**AHF**), the leading provider of health care to people living with HIV/AIDS around the world, notched a significant legal victory in an **American Arbitration Association** arbitration against **Prime Therapeutics LLC**, one of the nation's largest pharmacy-benefits managers (PBMs). AHF defeated Prime's attempt to end the entire case and will be allowed to move forward against Prime on claims of antitrust violations and other civil wrongs.

In late June, Arbitrator David R. Cohen, Esq., issued his ruling granting in part and denying in part Prime's motion to dismiss AHF's case. Arbitrator Cohen retained five of AHF's seven claims, dismissing only two.

"The arbitrator's ruling is particularly noteworthy for validating AHF's theory of per-se (automatic) antitrust violations in the nature of price-fixing by Prime. AHF is now preparing to prove those claims, in the next phase of the arbitration," said **Jonathan M. Eisenberg**, Deputy General Counsel for AHF. "Arbitrator Cohen also deemed unreasonable and refused to enforce Prime's contractual one-year statute of limitations that might have precluded any of AHF's claims from even being heard."

Background

Prime is a pharmacy-benefits manager (PBM), a “middleman” in the distribution system for prescription drugs in the United States. Prime acts as a gatekeeper between pharmacies and health insurers.¹ Prime boasts of administering the pharmacy-benefits components of health-insurance plans for about 38 million people in the United States. Many of those people are patients of AHF pharmacies. Since 2020, AHF has filled hundreds of thousands of drug prescriptions for patients whose PBM is Prime.

Since April 2020, Prime has been deliberately aligning its pharmacy reimbursement rates with those of another PBM, Express Scripts, Inc. The two PBMs are no longer doing what they are supposed to be doing in a free-market system, namely competing on price to attract pharmacies into provider networks. This scheme harms not only AHF and other pharmacies directly but also ultimately harms patients and the entire prescription-drug pipeline in this country.

“AHF continues to have real reason to fear that we may face retaliation from Prime for exposing it as a price-fixer,” added Eisenberg. “However, we take that risk on behalf of the patients we serve and the many other affected independent pharmacies to try to stop Prime’s flagrantly unlawful scheme.”

Prime/AHF arbitration ruling [link](#).

AIDS Healthcare Foundation (AHF), the world’s largest HIV/AIDS healthcare organization, provides cutting-edge medicine and advocacy to more than 1.7 million individuals in 45 countries in the US, Africa, Latin America/Caribbean, the Asia/Pacific Region, and Eastern Europe. To learn more about AHF, visit us online at [AIDShealth.org](https://www.aidshealth.org), find us on **Facebook**, follow us on **Instagram** and **Twitter**, and subscribe to our **Ahfter Hours** podcast.

¹ Note: Prime is, in fact, owned by a group of Blue Cross and/or Blue Shield health insurers.

Ged Kenslea, AHF Senior Communications Dir.

gedk@aidshealth.org

(323) 791-5526

Source: AIDS Healthcare Foundation