

**NINETY-SIXTH NATIONAL CONVENTION
OF
THE AMERICAN LEGION
Charlotte, North Carolina
August 26, 27, 28, 2014**

Resolution No. 157: Department of Veterans Affairs Pharmacy Benefits

Origin: Maryland

Submitted by: Convention Committee on Veterans Affairs & Rehabilitation

WHEREAS, The Department of Veterans Affairs (VA) basic Medical Benefits Package includes prescription drugs and supplies; and

WHEREAS, VA has experienced unprecedented demand for prescription drugs since open enrollment in 1998; and

WHEREAS, By law (Public Law (P. L.) 101-508 and P. L. 106-117) VA must charge veterans a co-payment for each 30-day or less supply of medication provided on an outpatient basis for the treatment of a non-service-connected condition; and

WHEREAS, The Veterans Millennium Health Care and Benefits Act (P. L. 106-117) authorized VA to increase the co-payment amount and to establish an annual cap on the amount of medication co-payment charged; and

WHEREAS, The amount of the medication co-payment and the annual cap may be changed on an annual basis; and

WHEREAS, VA increased the amount of the co-payment from \$2.00 to \$7.00 dollars effective February 4, 2002; and from \$7.00 to \$8.00 in 2005; and

WHEREAS, The American Legion opposed the pharmacy co-payment increases citing alternative options; and

WHEREAS, The Office of Inspector General reported an audit of VA regarding pharmacy co-payment levels and restrictions on filling privately written prescriptions for priority group 7 veterans in December 2000; and

WHEREAS, This report raised the issue that the indirect cost of re-writing private prescriptions that are filled by VA physicians can exceed the direct cost of the prescriptions themselves; and

WHEREAS, VA's policy to fill only prescriptions written by VA physicians and the processes that have been developed to comply with this policy affects all veterans receiving or eligible to receive VA health care; and

WHEREAS, VA has been unable to provide all enrolled veterans with services in a timely manner and this has generated interest in filling prescriptions from outside providers; and

WHEREAS, Various legislative proposals have been offered to grant VA the authority to provide veterans with pharmaceuticals prescribed by physicians or other health care professionals who have no affiliation with VA; and

WHEREAS, VA is a managed health care system that requires enrollment; and

WHEREAS, Authorizing VA to fill prescriptions from a private sector physician without the veteran enrolling would fundamentally change the system; and

WHEREAS, VA provides medications and pharmaceutical supplies to veterans, with limited exceptions, only in the course of providing medical care; now, therefore, be it

RESOLVED, By The American Legion in National Convention assembled in Charlotte, North Carolina, August 26, 27, 28, 2014, That The American Legion oppose significant pharmacy co-payment increases at the expense of veteran beneficiaries, in lieu of seeking alternative funding sources, such as mandatory funding and Medicare reimbursement, that would generate and provide the Department of Veterans Affairs (VA) with more adequate system-wide funding; and, be it finally

RESOLVED, That The American Legion support the provision of VA Pharmacy Benefits to enrolled veterans only when prescribed by an authorized VA physician or provider in the course of providing them medical care.