

September 30, 2021

**ATTORNEY GENERAL RAOUL ANNOUNCES \$56 MILLION SETTLEMENT WITH PHARMACY BENEFIT
MANAGER**

***Settlement Resolves Raoul's Investigation Into Centene Corp. Allegedly Submitting Inaccurate
Reimbursement Requests***

Chicago — Attorney General Kwame Raoul today announced a more than \$56 million settlement with the largest Medicaid managed care organization in the United States. The settlement resolves an investigation the Attorney General's office conducted into whether, as a pharmacy benefit manager for the state of Illinois, Centene Corp. (Centene) entities submitted inaccurate billing requests to the state.

"Pharmacy benefit managers are part of a larger issue, which is the accessibility and affordability of prescription drugs," Raoul said. "No one should have to choose between paying for basic necessities or costly but essential medications. My office is continuing to investigate pharmacy benefit managers operating in Illinois because I am committed to stopping unfair and unlawful conduct by PBMs and drug companies."

Pharmacy benefit managers (PBMs) in the prescription pharmaceutical industry act as intermediaries between prescription drug plans, pharmacies and drug manufacturers. PBMs provide services including contracting with and reimbursing pharmacies for filling prescriptions, creating a formulary or preferred drug list, competitive drug pricing and negotiating rebates with drug manufacturers.

As a PBM for Illinois' Medicaid program, Centene subsidiary Envolve and other subsidiaries delivered pharmacy benefits to Illinois state agencies, such as the Illinois Department of Healthcare and Family Services. An investigation conducted by the Attorney General's office determined that Centene allegedly submitted inaccurate pharmaceutical reimbursement requests that failed to accurately disclose the cost of pharmacy services. In addition, requests for reimbursement did not disclose available pharmaceutical discounts and improperly inflated dispensing fees.

The settlement requires Centene to pay the state of Illinois two installments 12 months apart totaling \$56,717,652.