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**From Clinic-to-Courtroom – Legislation and Litigation Limiting Prescription Drug Practices**

Pharmaceutical Procurement 2023: Brown Bagging, White Bagging and Clear Bagging

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**Overview:** Mandates requiring patients to have their therapies dispensed via “brown bagging” or “white bagging” are becoming increasingly common. Hospitals generally oppose these practices. And providers treating patients whose insurers require these methods of pharmaceutical procurement have expressed concerns over patient safety, proper care coordination, potential treatment delays, and drug waste. All types of bagging lead to fragmentation of care.

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| **Brown Bagging** | | |
| **Definition** | **Structure** | **Problems, Issues or Concerns** |
| The dispensing of medication from a pharmacy (typically a specialty pharmacy) directly to a patient, who then transports the medication(s) to the physician’s office for administration | Specialty Pharmacy → Patient  Revenue model is to plans’ advantage, since providers don’t buy the drug, they simply administer it. Nevertheless, the practice has generally fallen out of favor due to concerns described in the next column. | The concern is over drug integrity and quality. If a drug is delivered to a patient’s home, it may sit in a mailbox for some time before it is retrieved, perhaps in high temperatures. This would not be appropriate for medications that would degrade if not properly maintained. There is also the risk that patients do not remember to bring their drugs with them to their infusion appointments. |
| **White Bagging** | | |
| **Definition** | **Structure** | **Problems, Issues or Concerns** |
| The distribution of patient-specific medication from a pharmacy, typically a specialty pharmacy, to the physician’s office, hospital, or clinic for administration. | Specialty Pharmacy → (Unrelated) Specialty Pharmacy  E.g., Independent Specialty Pharmacy (or PBM) → (Unrelated) Specialty Pharmacy.  White bagging is common in instances where the drugs require special handling or are subject to limited distribution models.  This model will generate a savings to plans only to the extent that the PBM is willing to pass it along. | White bagging poses the risk that the medication will not arrive at the clinic in time for a patient’s scheduled appointment.  In addition, the physician office, hospital, or clinic to which the drug is delivered might not always know its storage conditions. |
| **Clear Bagging** | | |
| **Definition** | **Structure** | **Problems, Issues or Concerns** |
| A specialty pharmacy provides prescribed medication directly to the clinic where the drug is administered. | Specialty Pharmacy → (Related) Specialty Pharmacy  E.g., Hospital-owned Specialty Pharmacy to Hospital-owned physician practice.  NOTE: Providers are more open to clear bagging, claiming that practices have full custody of the product and can guarantee good product integrity. | Many practices adopt clear bagging reactively, to retain control of patient care and prevent the further fragmentation of care that occurs when an external pharmacy dispenses one drug, and an internal pharmacy dispenses others. |