



**For Immediate Release**

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**California Clinics Get \$2.7 Million Payback for Generic Drugs**

*Nonprofit uses lawsuit settlement funds to reimburse clinics serving uninsured patients*

*Oakland, CA* — Beginning May 1, community clinics throughout California will get money back for their purchase of selected generic drugs, with reimbursement totaling \$2.7 million statewide.

Medicine for People in Need (Medpin), a project of the Oakland-based nonprofit Public Health Institute, is launching the project to help “safety net” clinics serving uninsured or indigent patients in California.

Many drug companies sponsor charitable programs offering free brand-name drugs to needy patients. Clinics serving large numbers of such patients reported in a 2004 study that while they appreciate industry-sponsored charitable programs, the complexity and unreliability of these programs can disrupt and take significant time away from patient care.

“Safety net clinics rely heavily on donations of new, high-priced drugs through industry programs that can change without notice,” says Medpin director Kathryn Saenz Duke. “Medpin’s project is designed to help clinics rely less on short-term handouts and more on ‘learning to fish’ as a long-range strategy.”

Community clinics and county health systems throughout California were invited to apply for Medpin’s six-month High Value Medications Project. Each of the 150 clinics chosen has been assigned a credit limit based on its relative volume of care to uninsured or indigent patients. This credit is the maximum a clinic can be reimbursed for its purchase of selected generic drugs May 1 through October 31.

“Medpin’s new project encourages clinics to use less-expensive medications that have good long-term value for chronic disease patients,” says Leon Wilde, a pharmacist who works with safety net clinics in several states.

Working with physicians and pharmacists from California’s health care safety net, Medpin selected generic diabetes and cholesterol drugs as examples of the “high value” that generic drugs can bring to patient care. The funds for the reimbursement project come from the California Attorney General’s settlement of a consumer protection lawsuit against the nation’s largest pharmacy benefit management company.

Medpin ([www.medpin.org](http://www.medpin.org)) was established in 1999 with another litigation settlement project, which distributed \$170 million worth of pharmaceuticals to uninsured patients statewide. Since its founding Medpin has provided training and education to safety net providers throughout California, as well as policy analysis related to pharmaceutical access for the state’s uninsured and underinsured.

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