

**For Immediate Release:**

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**AG Balderas Announces \$13.7 Million Settlement with Centene Corporation Over Investigation of PBM Claims; Ongoing Investigation of remaining PBMs in NM in Partnership with Superintendent of Insurance**

ALBUQUERQUE – Today, New Mexico Attorney General Hector Balderas announced a \$13.7 million settlement with Centene Corporation regarding the Attorney General’s investigation of the company’s subsidiaries’ pricing and reporting of pharmacy benefits and services provided to the New Mexico Medicaid program which is overseen by the New Mexico Human Services Department (HSD).

“Vulnerable New Mexicans should not have to worry about paying surging prescription drug costs,” said Attorney General Balderas. “This investigation was necessary to shine a light on industry practices, ensure greater accountability and return \$13.7 million back to New Mexico.”

Upon referral from the Office of the State Auditor in collaboration with HSD, the Attorney General’s investigation of Centene focused on concerns that Centene was layering fees and not passing on retail discounts to New Mexico’s Medicaid program, also called Centennial Care. Centennial Care provides healthcare services and medications to nearly one million New Mexicans, and Centene’s wholly-owned subsidiaries have provided pharmacy benefits and services to Centennial Care since 2019. Attorney General Balderas and Superintendent of Insurance Russell Toal, plan to work together and continue the investigation of this business sector to identify opportunities for transparency and increased consumer protections.

The settlement agreement with Centene includes an assurance of discontinuance related to the investigated conduct and an enhanced commitment from Centene to provide complete pricing transparency on all pharmaceutical benefits and services provided to HSD.

The importance of this settlement and the Attorney General’s ongoing investigation of the Pharmacy Benefit Managers (PBMs) servicing the New Mexico Medicaid program is highlighted by the Federal Trade Commission’s recent announcement that it is launching an inquiry into the PBM industry to scrutinize the impact of PBMs on the access and affordability of prescription drugs.

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