

March 3, 2023

[submitted electronically via: drew.perkins@wyo.gov]

The Honorable Mark Gordon Governor State Capitol 200 West 24th Street Cheyenne, WY 82002

SF151 (Hutchings) – The Wyoming Prescription Drug Transparency Act – SUPPORT

Dear Governor Gordon:

The American Pharmacists Association (APhA) supports <u>Senate File (SF) 151</u> (Senator Hutchings), which will protect Wyoming patients' access to their medications and their trusted healthcare professional, the pharmacist.

APhA is the largest association of pharmacists in the United States advancing the entire pharmacy profession. APhA represents pharmacists in all practice settings, including community pharmacies, hospitals, long-term care facilities, specialty pharmacies, community health centers, physician offices, ambulatory clinics, managed care organizations, hospice settings, and government facilities. Our members strive to improve medication use, advance patient care and enhance public health. In Wyoming, with 530 licensed pharmacists and 590 pharmacy technicians, APhA represents pharmacists, student pharmacists, and pharmacy technicians that practice in numerous settings and provide care to many of your constituents. As the voice of pharmacy, APhA leads the profession and equips members for their role as the medication expert in team-based, patient-centered care. APhA inspires, innovates, and creates opportunities for members and pharmacists worldwide to optimize medication use and health for all.

As a result of the predatory practices of pharmacy benefit managers (PBMs), patients' access to medications from their local pharmacist across the country has declined¹, taxpayer dollars have been funneled into corporate profits², and generationally owned community pharmacies have been driven out of business.³ Recently, a study found that PBM tactics forced Oregon Medicaid to overpay \$1.9M on a single drug, where

 $^{^1\,}Rose\,J,\,Krishnamoorth\,R.\,Why\,your\,neighborhood\,community\,pharmacy\,may\,close.\,\textit{The\,Hill}.\,Available\,at\,\underline{https://thehill.com/blogs/congress-blog/healthcare/530477-why-your-neighborhood-community-pharmacy-may-close}$

 $^{^{2} \} Axis \ Advisors. \ Analysis \ of PBM \ Spread \ Pricing \ in \ New \ York \ Medicaid \ Managed \ Care. \ Available \ at \ \underline{http://www.ncpa.co/pdf/state-advoc/new-york-report.pdf}$

 $^{^3}$ Callahan C. Mom-and-pop pharmacies struggle to hang on. $\it Times Union$. Available at $\it https://www.timesunion.com/hudsonvalley/news/article/Mom-and-pop-pharmacies-struggle-to-hang-on-16187714.php$

PBMs marked up the drug by 800 percent.⁴ Appropriate oversight is necessary to address the misaligned incentives in the PBM industry that prioritize profits over patients. SF151 would address many of the underlaying issues that result in harm to patients, taxpayers, and pharmacists.

An important focus of this legislation is maintaining patients' access to lifesaving medications and preserving the pharmacist-patient relationship. This comes from the prohibition of various PBM activities that increase the costs of medications for patients and can threaten the sustainability of pharmacies. In a February 2023 national survey conducted by APhA, 91.5% of respondents reported that current PBM practices negatively impact their practice and ability to provide patient care.⁵ SF151 bans many of these negative practices by prohibiting PBMs charging pharmacies unnecessary fees, spread pricing practices (where a PBM overcharges the plan and underpays the pharmacy), and anti-competitive preferential reimbursements to PBM-owned pharmacies. Additionally, SF151 protects patient autonomy in their healthcare by allowing patients to choose where to fill their prescriptions and prohibits mandating a patient fill their prescriptions by mail which can compromise medication safety.

SF151 takes numerous steps to provide oversight into PBM practices that hurt patients and have led to decreased patient access to their medications and local pharmacist.

For these reasons, we support SF151 and respectfully request your approval. If you have any questions or require additional information, please don't hesitate to contact E. Michael Murphy, PharmD, MBA, APhA Advisor for State Government Affairs by email at mmurphy@aphanet.org.

Sincerely,

E. Michael Murphy, PharmD, MBA Advisor for State Government Affairs

2. M. Murphy

American Pharmacists Association

cc: Michael Baxter, APhA Acting Head of Government Affairs

⁴ https://oregonpharmacy.org/2022/10/27/oregon-report/

⁵ Survey of Pharmacists: Quantifying the impact of PBM practices. *American Pharmacists Association*. February 2023. https://pharmacist.com/APhA-Press-Releases/apha-releases-survey-results-quantifying-the-impact-of-pbms