

October 14, 2021

The Honorable Kathy Hochul Governor of New York State NYS State Capitol Building Albany, NY 12224

## Pharmacy Rescue Package – SUPPORT

Dear Governor Hochul:

The American Pharmacists Association (APhA) supports the Pharmacy Rescue Package, which will protect 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 New York, APhA represents pharmacists and students 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 declined<sup>1</sup>, taxpayer dollars have been funneled into corporate profits<sup>2</sup>, and generationally owned mom and pop pharmacies have been driven out of business<sup>3</sup>. Appropriate government intervention is necessary to address the misaligned incentives in the PBM industry that prioritize profits over patients. The Pharmacy Rescue Package, composed of S6603 sponsored by Senator James Skoufis / A7598 sponsored by Assemblymember Dick Gottfried, S3762 sponsored by Senator Neil Breslin / A1396 sponsored by Assemblymember Gottfried, S4807A sponsored by Senator Toby Stavisky / A6476A sponsored by Assemblymember Alicia Hyndman, and S3566 sponsored by Senator Breslin / A5854A sponsored by Assemblymember Latoya Joyner, would address many of the underlaying issues that result in harm to patients, taxpayers, and pharmacists.

800 237 2742

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<sup>&</sup>lt;sup>1</sup> Rose J, Krishnamoorth R. Why your neighborhood community pharmacy may close. *The Hill*. Available at

https://thehill.com/blogs/congress-blog/healthcare/530477-why-your-neighborhood-community-pharmacy-may-close

<sup>&</sup>lt;sup>2</sup> 3 Axis Advisors. Analysis of PBM Spread Pricing in New York Medicaid Managed Care. Available at

http://www.ncpa.co/pdf/state-advoc/new-york-report.pdf

<sup>&</sup>lt;sup>3</sup> Callahan C. Mom-and-pop pharmacies struggle to hang on. *Times Union*. Available at

https://www.timesunion.com/hudsonvalley/news/article/Mom-and-pop-pharmacies-struggle-to-hang-on-16187714.php

Creating a system that allows regulation and oversight of PBMs, ensuring equal reimbursement to all pharmacies, and requiring managed care organizations to reimburse pharmacies at a financially sustainable rate are important items that the Pharmacy Rescue Package will implement. This is especially relevant due to vertical integration in the pharmaceutical supply chain in order to maintain integrity that preferential reimbursements are not being provided to pharmacies owned by PBMs.

S6603/A7598, S3762/A1396, S4807A/A6476A, S3566/A5854A will protect patients' access to their medications and their pharmacist.

For these reasons, we support S6603/A7598, S3762/A1396, S4807A/A6476A, S3566/A5854A and respectfully request your approval of the Pharmacy Rescue Package. If you have any questions or require additional information, please don't hesitate to contact E. Michael Murphy, PharmD APhA Advisor for State Government Affairs by email at <u>mmurphy@aphanet.org</u>.

Sincerely,

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**Ilisa BG Bernstein, PharmD, JD, FAPhA** Senior Vice President, Pharmacy Practice and Government Affairs American Pharmacists Association